May 10, 1949

The Reporter

A fortnightly of facts and ideas

Price 25 cents

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Editorial

Where Are We Now?

Since 1932, on one day every four years our two-party system has broken down. This would not be too alarming a fact, considering that only twenty-four hours are involved, were it not that on that day the President of the United States is elected. The Democratic Party then receives enough popular votes to establish itself as the one party that can elect a President. This does not mean that we have a one-party system or even the beginning of it. It simply means that one day every four years the two-party system, basic to our freedom, takes a holiday.

This has been going on for five consecutive Presidential elections and each time this new peculiarity of national politics has been dimly seen and quickly forgotten, for the hangover of post-election morning is not conducive to disciplined thinking. But last time, on November 3, 1948, the peculiarity struck the country so forcibly and unexpectedly that for several days it produced a universal condition of stupor. Yet not much thinking was done in those days or thereafter, for the people most fit to register the meaning of facts were lost in an orgy of breast-beating and crow-eating.

The Reporter does not claim any exemption from the shame and confusion of its brothers in journalism on the grounds that in November, 1948, it was not in existence. Let us eat retroactively our share of crow, and be at peace with our brethren. Yet the importance of that date, November 3, is so overwhelming that in every editorial office, or facing the desk of everyone who makes it his business to think about politics, there should be a sign: "*Remember that great day of national stupor.* REMEMBER NOVEMBER 3." If we want to take our bearings, to determine where we are now, that is the date, the moment of recent national history, on which our minds must stay focused.

What happened on that day receives light from what happened in the four preceding Presidential elections and in turn throws light on what is likely to happen in the foreseeable future, at least as long as two circumstances remain with us. The first is the alignment that Franklin D. Roosevelt established when he made the welfare of farmers and workers dependent on benefits that directly or indirectly were coming from Democratic Administrations. The second is the fact that, still, there is no peace. At the time of the 1946 Congressional elections, the people could think that war had ended. Now they know that perhaps war has ended but peace has not come, nor is it likely to come for quite some time.

The social legislation of President Roosevelt had tied the large masses of the working people to Democratic Administrations; the wartime emergency strengthened these bonds; and the lack of peace made the majority of the people respond to the oratory of Harry S. Truman even more, in some sections of the country, than they had ever responded to that of Franklin D. Roosevelt. For a condition of "no peace, no war," perhaps even more than a condition of war, doesn't allow people to decide lightly that it is "time for a change." In this particular case, the Republican candidate took the change for granted and simply asked the voters to take stock of an accomplished fact.

President Truman's confidence in the Democratic victory was probably based on two plain facts: that he was the President of the United States, and that he was the candidate of the Democratic Party. He went all over the country so that the people could see that that was the fact—that he was the candidate of the Democratic Party and the President of the United States. All the rest was just politics: the ceremonial of electioneering that both candidates have to go through, the challenges and counter-challenges and the predictions of inevitable victory. But perhaps all the time Harry S. Truman thought that after Roosevelt, in an era of "no war, no peace," the Presidential candidacy of the Democratic Party means just about what any Democratic candidacy means in Texas.

The party that is strengthening its prerogative of electing the President on a certain day every four years is also, during all the other days of the cycle, about as disorganized and dissent-ridden as its competitor—the Republican Party which every four

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years comes tantalizingly close to the Presidency and then withers away in bitter defeat. The result of the Democratic victory in the last election was not a Democratic dictatorship but a temporary predominance of triumphant confusion.

Moreover, whatever we have of the one-party system on Presidential Election Day is tempered at the Congressional level by factionalisms producing results that closely resemble the working of the two-party system. It is an unconventional and perhaps unprecedented arrangement, entirely different from anything the Constitution might have foreseen and the textbooks describe. A man, the President of the United States, is catapulted by the majority of the people to the position of highest power, and then left there, high and dry, to work out some day-by-day, item-by-item compromise with the representatives of the various geographic units and groups of interest that the people send to Congress. Of course he has his faithful followers, the members of Congress who gained their mandate by winning with him or whose victory has helped him. But there are not enough of them to ratify the mandate he claims to have received from the electorate.

While the President is isolated from Congress and frequently antagonized by it, his power as Chief Executive and as commander-in-chief has been greatly strengthened by two new organizations that Congress has put at his disposal. Both the Council of Economic Advisers and the National Security Council have an entirely advisory function. They are designed to give the President a whole view of things, so that he may gain a grasp of the economic and not only the financial factors of national life; of business and employment and not only of taxation and expenditure; of the policy that the nation must follow in peace and in war and not only of what the armed services demand. Both councils are non-political, designed to give the President the data and perspective that are essential to the making of policies. This is particularly true of the National Security Council, which, as a body of Presidential advisers, must work on the assumption of an absolute divorce between partisan politics and national policies.

So it happened that the first branch of the government to have some of its instruments of orientation reset according to the new exigencies of international responsibility and national welfare is the Presidency—the Presidency that has been for years and may remain for quite some time the private vineyard of the Democratic Party. This situation, with the powers of the President probably increased and certainly streamlined, has matured at a time when the two-party system is, to say the least, faltering. The next Presidential elections are three years away. But the crisis of the two-party system is with us now. It is a very peculiar crisis, for the party that would be called the predominant one is leaderless and torn by dissension.

It is not too early, in the light of what happened on November 3, to start thinking hard and to act accordingly. Thought and action are demanded particularly from three quarters:

1. Inside the Democratic Party. An organization like the Americans for Democratic Action, for instance, can be a great power for good if it succeeds in weakening, one by one, the great urban machines and eventually in conquering them. The ADA can work with the most nationally minded among the trade-union leaders, assist them in their political battles inside labor, and help them to reach the power and the vision of statesmanship. Finally, the ADA can act as a sort of Fabian Society, educating people to a thorough analysis of our political and social problems, to an unprejudiced revision of uncritically accepted ideas — for democracy has only to gain if it is the object of passionate, sustained thinking.

Blair House

2. Inside the Republican Party. Here the work is harder but, if well-aimed and relentlessly pursued, it can be even more rewarding. The existence of a quasi-two-party system, maintained in Congress because of unleashed factionalisms, is not healthy to the nation if long endured. It is not the return to Mark Hanna, to the principle of the divine identity between private interest and popular welfare, that can save the Republican Party. But the Republican Party has the chance now, if there are men strong enough to lead it, to become the defender of the nation as a whole against the most aggressive special-interest groups. To do this, it must become the guarantor of the fundamental principles and institutions of the New Deal. It must accept the principle that there is a floor of elementary decency below which no citizen is allowed to fall. But the Republican Party can make it its business to take care of the ceilings—it can see to it, for instance, that the standards claimed by workers' welfare funds or by veterans' organizations are not gained at the expense of the community as a whole.

3. Finally, and with due respect to the ADA, to the CIO's Political Action Committee, and to all those Republicans who can still be called by the honored name of Willkieites—finally, in this predicament of the nation, the greatest burden of responsibility falls on the press. The American press may be guilty of many sins, yet on more than one occasion (as in the first feverish months of the New Deal) it has acted vigorously to check the inevitable arrogance of unrestrained power.

Our days are very different from those at the beginning of the New Deal. Our days require uncluttered minds—a very great number of them, capable of supporting in turn the President or Congress or the new agencies, and sometimes of justifying one to the other—for, with the crisis of the two-party system, something has gone awry in the equilibrium among the organs of national power. Moreover, these are rather stormy times. The only equilibrating factor can be public opinion, which must be not alarmed but alerted. An intelligent, responsible press, which trusts the intelligence and the responsibility of its readers, can do the job.

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The People vs. the People

The Eighty-first Congress versus the thirty-second President

President Truman faced the Eighty-first Congress last January under conditions which appeared to defy many of the time-honored theories and assumptions of American politics. Under our system, the President is not expected to be a miracle man, yet Mr. Truman, single handed, had won what appeared to be a miraculous victory. He came into the glare of triumph with the bearing of a prescient and dynamic leader.

Our system does not presuppose united, cohesive parties. But Mr. Truman seemed to have brought into existence a united and cohesive Democratic Party, free from its old conservative Southern and radical urban wings, apparently fit to be an effective instrument of policy-making. The system does not usually operate with clear mandates; and yet the promises which Harry Truman had made, and on the basis of which he had been elected, seemed to an unusual degree to form a definite program—a people's program which a people's President, backed by a people's Congress, could be expected to enact.

So Harry Truman came to town, sure that he was riding on a mandate. And who, we might ask, had a better right to such confidence? Truman, on his way to the final victory, had defeated the Eightieth Congress, the Republicans, the reluctant nominating convention of the Democrats, the traditionally indispensable Southern wing of his own party, the yeasty and mercurial liberals who went along with Wallace.

It was a famous victory. The people who had helped Truman win it looked for a rolling, irresistible enactment of his pledges. New Deal thinkers who had been in exile and labor leaders flushed with pride in their work for Truman hastened to draft the program. The Fair Deal—name and content—was rushed into existence and was presented to the incoming Congress, with the hope that Truman's deliberately staged Hundred Days would shine as brightly, be as crowded with action, as the accidental Hundred Days of Franklin Roosevelt.

But nothing happened. Three months after the election, President Truman had presented his program, been inaugurated, taken a vacation, and threatened Congress that if it continued to disappoint him he would again barnstorm the country and see to it that the people threw the rascals out.

As the President saw it, "special interests" were still in play, strengthening the opposition in Congress and subverting members of his own party. The argument was weak politically, for his successful attack on the Eightieth Congress sounded flat when repeated against a Congress he was supposed to control. In the light of history, it appeared that some process more profound and subtle

had been at work. It was just possible that the old average-time realities of our politics were still in force: a President of limited powers and many human weaknesses, elected by a protest vote; a party split by internal division; and a mandate not nearly so direct as it had seemed the day after election.

The President is only one of the representatives of the people, and he represents the people only in one of their many aspects. He offers a picture of the popular mood and interests, but other pictures, taken by other cameras, differently engineered, ranged, and focused, are equally faithful to the original. The President represents the will of the nation projected over the next four years, but in the nation there are many immediate regional and economic interests, personal and local political situations, that altogether compose a contradictory yet genuine pattern on the floors of Congress.

These opposite tendencies set up a more or less continuing conflict, making our politics something like a sports event. The historic complaint of Congress is that the President encroaches on its powers, just as the constant complaint of the Presidents, including Roosevelt and Truman, is that Congress won't do what the people asked. Each is jealous of its exclusive claim to represent the people. Webster pinned on Jackson the epithet of monarch, as Webster's spiritual descendants pinned on Franklin Roosevelt the more modern epithet of dictator. The President, in turn, when he finds Congress going against his will, denounces it as the slave of lobbies and the tool of special interests. Sometimes it is out of the contest between them, carried on within the rules of the Constitution, that there comes in the long haul the best expression of the people's wisdom and the best protection against their follies. Some other times, when there are great

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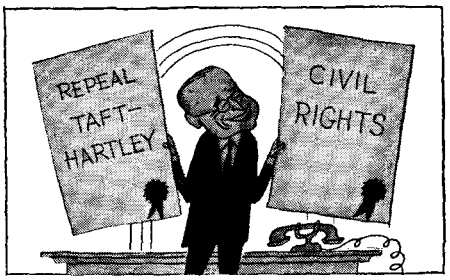


and quick decisions to be made, the tug-of-war between President and Congress may mean disaster. The conflict between the two has existed almost throughout our national history, and it is one of the established features of our political game. However, the stakes of the game never have been as high as they are now, when the decisions reached by Congress and the President affect the very existence of the American nation. They may even make the difference between life and death to many of the peoples of the world.

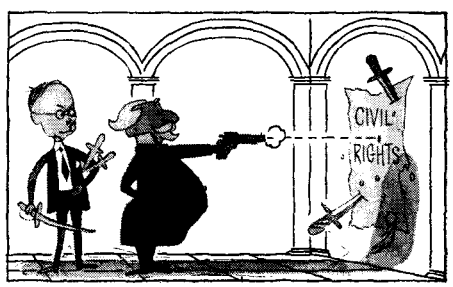
In this Administration, civil rights provided the test. Since Southerners could use Senate rules of unlimited debate to prevent action, the President's supporters decided to try changing the rules. After three weeks of debate, they were changed—to strengthen, not weaken, the power of any minority representatives to veto action that they thought unfavorable to their regional interests. Senators not from the South, and unsympathetic to Southern segregation customs, voted with their Southern colleagues to uphold the right of filibuster. The challenge went far beyond civil rights into the stubborn realities of regional economic interests. The West, with its own problems of reclamation, mining, ranching, and water; New England, with its financial and commercial interests; the farm bloc of the Middle West; the South with its tangled economic and social problems—these regions all joined to protect their power, under the Senate rules, to veto action unfavorable to their interests. They thought they spoke for their people just as honestly and authoritatively as Truman claimed to speak for all the people.

The protest was immediately raised by those who hoped to prosper under the President's supposed mandate that the Senate action was undemocratic because it ignored majority rule. But when the Constitution gave two Senators to every state regardless of population, it showed little respect for majority rule.

If the Senators who blocked limitation of debate were acting contrary to the people's wishes, they will find it out when they stand for re-election. Perhaps the President, though he lost a battle in Congress, won a round in the 1950 Congressional elections. To most of the country, this was purely a civil-rights fight. By giving it that name, the Truman Democrats have found a fine campaign battle cry. The Republicans, by not calling sufficient attention to the Constitutional and practical importance of protecting regional and minority interests, have left themselves open to the charge of playing politics just to split the Democratic Party.

The continuing vigor of the American government, its ability to move forward with adequate speed while resisting capture by any one political group, is put to a test by the continuing argument between Congress and the President over foreign affairs.

Because the Senate spent three weeks



debating the second year's European Recovery Program, and because some forty amendments were offered, it has been claimed that isolationism is growing. The argument seems temporarily silenced—waiting for the decision of the appropriations committees—by the vote of 70 to 7 in the Senate and 354 to 48 in the House for the program.

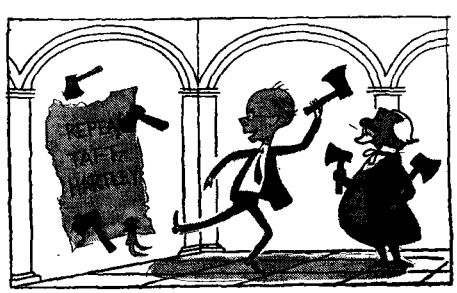
What the protracted discussion did reveal is a proper concern in Congress over the cost of all the foreign aid, military protection, and social reform requested by the President.

The refusal of the Eighty-first Congress to act differently from the Eightieth Congress and approve the anti-inflation program repeatedly requested by the President is not mere political obstructionism. There exist solid reasons for doubts on the value, timeliness, and possible consequences of that program. Many supporters of the President's program claim that Congress has been listening too hard to lobbyists and too little to national interest in this matter. But the fact is that economists of great repute are in a lamentable disagreement about what the current trend is and what ought to be done about it.

In its examination of all important elements in the President's legislative program, Congress increasingly tries to apply the test of cost. Even if each item were justified on its own merits, could the total program be justified when the final cost would require the four billion dollars of extra taxes that the President demands?

And, of course, there is disagreement about whether each item is justified on its own merits. Demands for a full explanation of the theory behind military lend-lease to members of the North Atlantic Alliance are not merely a recurrence of Congressional isolationism. The new lend-lease theory needs explaining. Congress and the people have not been given an adequate explanation by the President or the State Department of why the North Atlantic Alliance is to be followed by higher military spending when it is supposed to increase the mutual security, not the danger, of the allied nations. The answer, of course, is that military alliance requires larger military expenditures for the benefit of all the allied powers. We do not achieve security by the mere fact of entering an alliance. We oblige ourselves to provide our allies with the assistance that will make them feel secure. Obviously the only power that can provide assistance is the United States. But all this could have been far more candidly explained.

The President has decided to accept the Eighty-first Congress and work with it rather than criticize it for not living up to his campaign promises. Whatever the record of the Eighty-first, the President will still be able to say during the 1950 elections, "This is the best we could get," or "We could do



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better if we had bigger majorities." Moreover, by enlarging the combination of labor and of farmers with guaranteed minimum income, he may finally release the Democratic Party from the threats of its Southern faction.

All this is politics—good, average-time politics of the American home-grown variety—the kind of politics that, throughout the history of the nation, has softened conflicts, prevented ideological explosions, and reduced the clash of opposite programs to workable compromises. Now, with Truman's Hundred Days vanished along with the idle expectation of their achievements, and with the political arena filled by men hard at work trying to represent as well as they can the people and the interests to whom they owe their election, it is difficult to see how these months of the Eighty-first Congress differ radically from the routine of Congressional history.

So far, so good. But nations are constantly on the move, particularly great arbiter nations like ours. We are now going through a strange territory, and before we know it we may find ourselves across several boundary lines. We are somewhere between inflation and recession, with people in authority clamoring that there is no doubt on earth as to the side of the border we are on. We are somewhere between war and peace economy, with not much to be added to a peacetime budget and not much to be saved from the rigidly-set expenses of the cold war. Of course we know that if not our isolationism, certainly our isolation has gone forever; yet we can scarcely see the kind of world order in which we are going to play our peace-making role. Or, against our wishes, we might be forced to play a not exactly peaceful role.

At the head of the nation on the move are the traditional protagonists doing the kind of work for which the people have elected them. They push and pull, they check each other so that the movement, when movement is possible, is slow and creaking. Are we all sleep-walking—or is this the best way to proceed, no matter what hazards the terrain may hold? This is normalcy. Perhaps it is good that normalcy be maintained as long as there is something that appears normal, but are we all, the leaders and the led, equally ready to face the abnormalcies which may lie ahead?

Home Policy Shaping Up

The People's First Hopes by Harry S. Truman	*Their Second Thoughts by the Eighty-first Congress*
Labor	
Repeal of the Taft-Hartley Act and re-enactment of the Wagner Act with certain amendments.	The new labor bill may look more like the Taft-Hartley than the Wagner Act.
Minimum Wage	
Up from the present rate of 40 cents to at least 75 cents an hour.	In the end the rate will probably be somewhere between the two figures.
Civil Rights	
Enactment of the whole program embodied in the Democratic platform.	Filibuster on cloture rule. The whole program delayed.
Social Security	
Expansion as to size of benefits and extent of coverage; entrance of Federal government into home relief.	Hearings in progress in House committee. Half a loaf in this field may well seem better than a whole one.
Medical Insurance	
A system of prepaid medical insurance without delay.	A conflict between the President's plan and Senator Taft's bill providing Federal grants to states for people unable to pay health bills.
Housing	
Low-rent public housing, slum clearance, farm housing, housing research. One million units in seven years.	Senate has approved the housing bill providing 810,000 units in six years. House has done nothing.
Anti-Inflation	
Standby authority to control wages and some prices; authorization to construct production facilities where private enterprise fails.	No action. General skepticism as to the need for any such program.
Taxation	
Four billions in new taxation.	Action will be deferred as long as possible.
Resources Development	
Creation of a Columbia River Authority; continuing emphasis on power development, irrigation and flood control.	The old division between public and private power advocates, between states-righters and Federal interventionists. No early action foreseen.
Farm Program	
Maintenance of a "parity of income for farmers, with reductions in retail food prices."	Hearings to continue—probably for some time.

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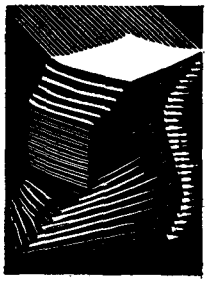
The Security Council at Work

The commander-in-chief's group of policy coordinators



"Balls of fire!" the C.O. of Co. H, 137th U.S. Inf. Regt., exclaimed. "To run a war nowadays, a guy has got to be a soldier, a diplomat, a banker, and a sanitary engineer."

The time was the First World War. The place was a hamlet in France where the plain-spoken Kansas National Guard captain had been called upon to settle a dispute between an angry populace and members of his battalion who had poured between three and five hundred bottles of flat champagne into the town well. The problem called for a different sort of training than he had received.

The captain was not alone in his ignorance of higher policy. In 1918 there was scarcely anyone in Washington who saw the problem of war, victory, and the aftermath whole. The army had helped to whip the Kaiser's legions, the navy had joined the British and French navies in banishing the submarine, dollar-a-year volunteers had delivered food and weapons to Europe, the State Department was struggling with the details of peace and occupation. But among these groups there was very little lost love, and no communication save through a harried President not much better prepared at his level than the Kansas captain at his.

Then as now, there were skills in America to meet the individual problems of war and peace as they arose; there were bits and pieces of carefully collected knowledge to meet every isolated emergency. The jigsaw was simply never put together so that any one man could look at it.

A few kilometers from the scene of the spree with the bad champagne was another U. S. Army captain who was destined to do something about this lack of coordination. Though it must have been far from his mind at the time, Captain Harry Truman would one day play a part in the creation of a continuing body of advisers having access to all the intelligence reports and the top military, diplomatic, and economic technicians of the nation. But it would take a second and more complex global conflict to point up the need for a National Security Council.

Through the Second World War we continued to make do. It was thought for a time that bringing the services together under the Joint Chiefs of Staff might help the situation. Then it was discovered that the British Joint Chiefs, reporting to and receiving instructions from the War Cabinet, were far better equipped to deal with political and economic matters as they arose. An attempt was made to meet the requirements of politico-military strategy here by setting up SWNCC, a coordinating committee made up of the Assistant Secretaries of the State, War, and Navy Departments. But Assistant Secretaries often knew little about high policy, and had no power to formulate it, so this, too, fell short.

Eventually a Committee of Three was formed of the Secretaries of State, War and Navy. It met once a week, usually in the office of the Secretary of State. No agenda was prepared, and there was no continuous staff work. The air of makeshift lingered until well after V-J Day, for having been caught with a leaky roof, we found no time to mend it in the rain.

The National Security Council was created by the National Security Act of 1947—the so-called Unification Act. This Act made the council not a part of the military establishment but an adjunct of the Executive Office of the President. Membership was to include the President, the Secretary of State, the Secretary of Defense, the Secretaries of the Army, Navy, and Air Force, the chairman of the National Security Resources Board, and such heads of the Munitions Board, the Research and Development Board, and the executive departments as the President might designate from time to time. Usually, Secretary of the Treasury John W. Snyder also attends, and others have been rung in as circumstances demanded. When the President is not able to preside, the Secretary of State usually does so.

The council maintains a minimum full-time staff of fifteen, and draws on existing departments for consultants and "working members." Consultants are almost invariably the actual planning heads of the departments. For example, George Butler, State's Deputy Director of Policy Planning, is that department's consultant. The armed services assign their deputy chiefs of staff. Each consultant brings with him a "working member" with whom he remains in closest touch.

The normal method of working is simple and direct. Papers are prepared on vital subjects—by areas, countries, or problems. First drafts often come from State, with a request for consideration and elaboration. These drafts go to the several members for information and are referred to the "working members" who then draft a staff paper and submit it to the consultants for comment. They may accept it at once, in which case the paper goes to the council members for approval and then to the President to accept or lay aside. There is no compulsion on him to accept the paper, since the council is a purely advisory body. Those he does accept go to Cabinet heads as the Administration's considered policies, with orders that they be carried out.

The National Security Council has

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counterparts in most democratic countries, in variants determined by constitutional differences. But the essential idea of all of them is that they are advisory bodies; in no case do they appear to have usurped functions of parliaments, although their roles change under stress.

The man who receives and circulates final Presidential edicts is Sidney W. Souers, a tall, graying Ohioan who originally left several successful business ventures in the Midwest to help straighten out the navy's intelligence service. He had not been home from that job long when he was called to his present post.

Souers began his business career as an assistant oiler aboard the White Star liner *Oceanic,* earning a net of $20 for the voyage. Last month, one of his corporations made more than two million dollars. He was just getting used to the dark blue pin-stripes for which he had laid aside his rear admiral's braid when former Defense Secretary Forrestal called him. "You have an appointment with the President," Forrestal told him. "The car is at the door." Mr. Truman asked Souers to "set this thing up," and, on the understanding that it would be a one-year job, Souers agreed. The year stretched out, as years in government service have a way of doing for able, devoted servants.

Nor is Souers, being both able and devoted, likely to quit until he has finished the biggest job he has so far assigned himself. That is to establish for the exercise of his office a tradition of impersonal service so firm that his successors will find difficulty in violating it, even if they wish to. With this in mind, he has established these cardinal precepts:

1. The Executive Secretary of the NSC should be a non-political confidant of the President. The function of the council is to advise the President in the non-political field of national security. The Executive Secretary should, therefore, be a trusted member of the Chief Executive's immediate official family, but should not be identified with his immediate staff of personal political advisers.

2. He must be objective, willing to subordinate his personal ideas on policy to the task of coordinating the views of all responsible officials. He should never take sides on any policy issue, since this would jeopardize his role as a neutral coordinator.

3. He must be willing to forego publicity and personal aggrandizement. The policies formulated by the council with his assistance have no official standing until they are accepted by the President, at which time they become Presidential policies and not National Security Council policies.

And here, in essence, is the President's conception of the proper function of the NSC:

The council does not determine policy or supervise operations, except for its responsibility for general direction of the Central Intelligence Agency. With complete freedom to accept, reject, and amend the council's advice, and to consult with other members of his official family, the President has the prerogative of determining such policy and enforcing it. The council serves as a channel for collective advice and information to the President regarding the security of the nation. Therefore, as an agency primarily useful to the President, the council considers only matters requiring his attention.

Domination of the National Security Council by "military thinking" has been mentioned from time to time as a potential rather than an actual danger. An early draft of the set-up of the council would have included in its membership the Joint Chiefs of Staff, but that idea has long since been ruled out.

The council has, on occasion, been accused of formulating policies with which it had nothing to do. These include the questions of Palestine, Germany, Japan, and Korea.

Of the problems which the council has taken up since its first bi-weekly session September 26, 1947, the most recent is the North Atlantic Pact. It would be at least a fair guess that the general lines of this historic document were sketched out in the discussions of the NSC. In the same way, once it be-

Souers of the National Security Council

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came obvious that the question of military aid would also have to be gone into, the council again made careful studies. It made suggestions as to the amount of aid our economy could support, the needs of the various recipients, the terms under which they should receive it, and the type of legislation best calculated to cover the problem.

But the real test of the NSC—as of the Administration and of the nation—will come in the months and years immediately ahead. The United States is now associated in close alliance with the free nations. The major military powers of this association already have an organization for the development and study of policy. If the United States is to achieve leadership of this group, its policies must be well-thought-out, capable of standing up to the critical inspection of the other members of the alliance.

Within that frame of reference, what sort of problems should the National Security Council be considering now? Several come immediately to mind:

1. The challenge to the military delivered by Dr. Edwin G. Nourse, chairman of the President's Council of Economic Advisers, that the North Atlantic Pact offers so much total security that we can afford to cut our own military expenditures.

2. Total war: can a democracy afford it?

3. Peripheral war: can a democracy restrict it?

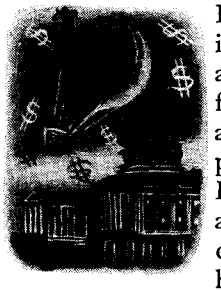
4. Can highly civilized communities hold a frozen military line indefinitely against pressure from less civilized peoples?

The Hoover Commission concluded that the council "does not yet measure up fully to the needs of the times." Such a sweeping charge ought to be proved or disproved.

The important thing is that, after nearly two centuries of political immaturity, we are now moving boldly in the right direction. With the guidance of Souers, we are thinking ahead, planning. The mere existence of the National Security Council is an earnest of America's belated determination to offer bold leadership to the world. The mistakes the council will make are in themselves symbols of our ability to work within the framework of democracy. The dictators' advisers make no mistakes; the dictators have none.

Three Advising Truman

Politics doesn't keep out of economics



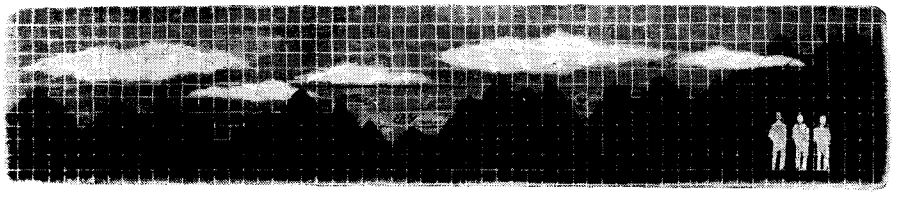
Is this the end of the inflation, or is it just another pause to be followed quickly by an upward drive of prices? To help the President decide the answer to this critical question, and so help frame appropriate government policies, Mr. Truman has his Council of Economic Advisers, three men with widely contrasting backgrounds and temperaments, and with very different ideas about what their function is. From them the President gets as much contradiction as agreement.

Dr. Edwin G. Nourse, chairman of the council and a lifetime professional economic scientist, is well aware of the fact that the economists, alas, cannot pretend to be the managers of economics, and that many factors of a completely unscientific nature enter into the determination of economic events. As he sees it, the council should act as confidential adviser to the President, bringing him whatever advice economics can offer, expounding for him the probable consequences of various possible lines of conduct, and leaving it to him to choose, as he must, which course best fits his conception of his role as political head of the government. Dr. Nourse sees the ups and downs of business activity as the combined result of the decisions in the private sphere of businessmen, laborers, farmers, and, in the public sphere, of government leaders both legislative and executive. He considers it the adviser's function to provide information and analyses upon which these people can make progressively sounder decisions.

Leon H. Keyserling, vice-chairman of the council, is a New Dealer, former secretary and legislative assistant to Senator Wagner, former official in the Federal Housing Agency. He believes the council should be champion of the President's political and economic programs, should abandon any passion for anonymity and carry the fight to the Hill. While Nourse holds that labor leaders are just as responsible as business leaders for the impact of their actions on the economy, Keyserling leans much more to the view that labor can do no wrong, has no share of responsibility for inflation, and should be protected against businessmen who, it seems, have a bias toward monopoly and wickedness.

Dr. John D. Clark falls somewhere between Nourse and Keyserling in his position, though on most issues he seems to come out on Keyserling's side. He, too, likes to take the chair before Congressional committees, and with charts on wall and cigar in mouth, expound on what should be done.

Since the three are equal members of the council, their reports to the President are frequently a strange hodgepodge of somewhat divergent views. But as of now the Keyserling-Clark position is that inflation is still the dominant danger. Congress, they say, should give the President the rationing, allocation, price and credit controls and higher taxes he still asks for. Consumers' purchasing power should be in-



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creased by higher minimum wages, and even by a fourth round of wage increases this spring. Nourse feels that a big increase in military spending or a fourth round of wage increases would boost inflation, but that without any such new developments, inflationary pressures are dying down. If this last trend is to be continued there must be cooperation among economic leaders, while simultaneously business should keep up its investment in new or expanding enterprises.

If this picture is correct, the attempt to get as much as four billions of extra taxes right now might well convert what can be a healthy readjustment of prices with sustained employment into a recession with unemployment.

The contrast in views within the council becomes more pointed when referred to specific situations. The Ford Motor Company, for example, like the rest of the automobile industry, faces the return of competition. The demand for cars at high postwar prices is becoming sated. To maintain production the company already has cut prices, and must work back into the mass market for cheap transportation. Ford workers want to maintain employment and avoid any cut in their earnings. The management wants to maintain or improve its competitive position in the industry and make profits. The three interests of consumer, labor and management can be reconciled only if management and labor combine to reduce unit costs so that take-home pay can be maintained while prices are cut.

It is claimed that the Administration's anti-inflation proposals, endorsed by Keyserling and Clark and still urged on Congress by the President, if applied to this situation could raise taxes on the company without strangling it, since profits—in some businesses, at least—are said to be excessive. And equally it is argued that if higher taxes do reduce business investment, so much the better, since business investment at its postwar peak is judged to be greater than necessary to sustain a satisfactory economy. Simultaneously it is argued that the workers should get more money. How these steps together could enable an automobile company, for example, to lower car prices is difficult to discern. They would seem rather to lead to higher prices and a decline in production and in employment.

Drop sand or anchor? Nourse, Clark, and Keyserling disagree

The anti-inflation program of the President also includes the threat that government will step in to expand productive capacity in key industries, if the private owners do not increase capacity to what the government experts think it should be. There are New Deal economists in Washington who justify this proposed expansion of government activity as theoretically essential if government is to have proper planning powers. Ironically, this theory is being pushed, and has gained some strong union support, at a time when British Socialists are realizing that nationalization of all industry is not essential to national planning.

The hand of Dr. Nourse may be seen in the following comment, in the third annual report of the council, on the disadvantages of having government intervene to secure fair wages.

"Settlement by government does not avoid but rather intensifies the need for adequate standards as to what decisions will be fair to both parties, acceptable to the public and consistent with the needs of the whole economy. These standards include a wage structure in relation to prices that will maintain the producing power of industry and the buying power of labor in sound proportion. In the absence of such standards no forced settlement could be desirable and . . . could not last."

This may well be the present situation. The main backing for the President's anti-inflation program as a remedy for the current economic situation may derive not from economic analysis but rather from the emotional and political pressure of important groups, like labor, which backed the President in the last election. They rightly condemn monopolistic tendencies in business, but find the same principle unobjectionable when applied to

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labor. Labor unions hope Congress will remove the reasonable as well as the unreasonable responsibilities imposed upon them by the Taft-Hartley Act.

It is apparent that the Council of Economic Advisers is not a source of purely economic advice for the President on such matters of public policy. The members differ widely in the standards, conscious and unconscious, by which they attempt to assess facts and analyze consequences. The Hoover Commission has recommended that the council be replaced by one economic adviser to the President, who would be boss in his own shop. But this would not necessarily eliminate the conflicts of so-called economic advice which now reach the President.

For the present the conflict of diagnosis and recommendation is in the curious position that while the President still urges upon Congress the anti-inflationary program for which Keyserling and Clark campaign, Congress follows Nourse and is unwilling to give the President the powers he asked.

This means that during the coming year, barring new developments such as a big increase in military spending, the nation will have a breathing space in which no new drastic government intervention will be authorized by Congress. That breathing space should provide an opportunity for business, labor, farmer, and consumer to solve their mutual problem by their own efforts. The problem is to get lower prices without unemployment.

The opportunity may be missed. Depression may arrive. Mass discomfort —or worse—can create conditions favorable to the election in 1950 of a Congress more willing than the present one to enlarge further the government's sphere of activity. Then we should have to record yet another lost challenge for the competitive system — which, we shall probably continue to insist, is the secret of our prosperity.

Of Policy and Power

Policy, whether in a democratic or dictatorial state, carries power at its core. Without power there can be declarations, projects, intentions, desires, and a woolly and encompassing good will. But for the settled expression of governmental purpose, for policy in the right sense of the word, there must run through all plans and actions the vein of iron. Or, to use a different simile, there must be upon these plans and actions the stamp of an unquestionable authority, of the uninterrupted will, which is power.

Power is a subject to which Americans, both practically and theoretically, have given too little serious consideration. In our foreign policy we have acted as if general statements, a series of points (whether four or fourteen), could create order in the world. Or we have supposed, on the other hand, that by the mere exertion of physical force we could change basic human factors.

In domestic affairs the failure to understand power has had a less dramatic but nevertheless a profound effect. For an example we need only to picture Mr. Truman in the weeks after his election. The feeling of exhilaration which filled him then he took to be an intimation of power. The various slogans, generalizations, and half thought-out schemes which had drawn applause at the crossroads he took to be a comprehensive policy. But these had not rubbed up against one another; they had not been weatherbeaten by experience nor made their peace with reality. They corresponded neither to what the people in their deepest consciousness anticipated nor to what the experts in their most enlightened moments considered practicable.

This sense of power which American statesmen have so often lacked, the leaders of older and more complex civilizations seem to possess by instinct; and the greatest possess it to an extraordinary degree. There is in hand a contemporary classic on the subject. Mr. Churchill's war memoirs, and particularly his second volume, are on one level a continuing examination of power, its nature, its limits, its rewards, and of the way it can be used to transform bright ideas, random inspirations, and methodical calculations into the life-giving policy that guides a people.

Mr. Churchill revelled in power. "The post which had now fallen to me," he says of the Prime Ministry, "was the one I liked the best." "I used their brains and my power," he remarks in explaining how the "terrible and incomphehensible truths" of the scientists emerged into executive decisions. He speaks on another page of the "privilege of power," describing how, on seeing the disaster that befell the simple people of London during the blitz, he immediately ordered the establishment of a system of state insurance.

But Mr. Churchill understood also what a political philosopher has called "the poverty of power." The long series of Minutes at the end of the volume testifies eloquently to how often pleading was necessary even in his position and circumstances—and how often even the most eloquent pleading was vain. "Nothing came of this plan," he adds drily at the end of an exposition of one of his pet schemes, "which broke down under detailed examination." Again, he finds himself bitterly thwarted—"grieved and vexed," as he puts it—because he could not induce experts at the Admiralty to transport an armored brigade through the Mediterranean.

To understand power is the beginning of statesmanship. Without that understanding the head of a state does not create policy. He only utters slogans or issues petulant commands.

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The Course of Taxation . . .

Spending and taxing in the era of no peace, no war

The Constitution says: "The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay Debts and provide for the common Defense and general Welfare of the United States." This is not one of the powers of Congress that has remained dormant in recent years.

The burden of taxes has always been cause for bitter complaint, yet taxes continue to rise. In 1949 the President estimates that the forty-one billion dollars that can be expected from existing taxes is not enough. He wants Congress to bring the revenue from taxation up to forty-five billions.

And what would all that money be used for? Just what the Constitution says: five-and-a-half billions to pay interest on the debt; twenty-eight billions to provide for the common defense (past, present, and future); ten billions for the general welfare. The rest is to pay off past debt.

The net Federal debt, at 223.3 billions, is now 54 per cent of the total public and private net debt of the United States. And the government's debt policy is the dominant influence upon credit and interest throughout the whole economy.

This makes it very difficult for even the most conservative to stand firm by the old rules of sound finance: if you are in debt, you should start paying it off, and if taxes are high, the government should practice rigid economy to permit a reduction. The former citadel of "sound finance," the Chamber of Commerce of the United States, says: "It is short-sighted to talk of large reductions in the public debt in times of apparent prosperity if such a course would undermine the industrial structure and dry up the sources of such funds (Treasury revenues)."

Once upon a time there was a belief that annual budget-balancing and debt reduction were the only bases for sound public finance, but with its statement even the Chamber of Commerce has joined the ranks of the heretics. Of course, most Republicans, many Democrats, and a solid front of businessmen want to balance the budget.

The President and the opposition differ not in their belief in a balanced budget, nor in their willingness to pay a price to achieve it, but in the amount of the price that each is willing to pay.

The President's scale of preferences reads like this. First (with enthusiasm): Higher corporate and upper-bracket income taxes. Second (with regret): Budget deficit. Third (with acute pain): Lower Federal expenditures.

The conservative's scale clearly runs this way. First (with enthusiasm): Lower Federal expenditures. Second (with regret): Budget deficit. Third (with acute pain): Higher taxes on corporations and very large incomes.

It would be easy to interpret this difference as reflecting simply the fact that the President counts votes and the businessmen count profits after taxes. But while this may be part of the explanation, it is certainly not the whole of it. For there are basic issues involved about which even the most objective analysts can and do disagree violently.

Fundamentally the conservatives maintain that:

1. The national strength and the welfare of the whole population depend upon the continued rapid growth of productivity.

2. The rapid growth of productivity requires an abundant supply of capital available to take investment risks, as well as incentives that will make the owners of capital use it in venturesome ways.

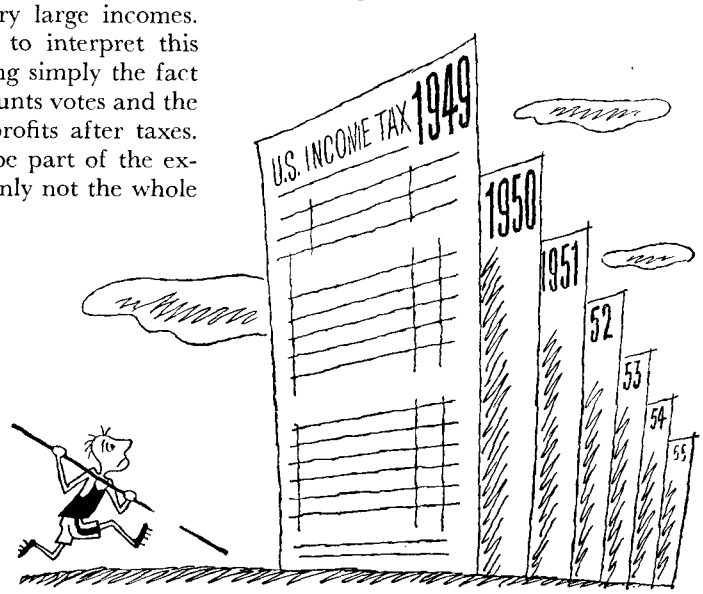
3. An increase in the already-high taxes on corporate profits and large individual incomes would seriously impair the supply of capital and reduce the incentives to use it.

To these three points the supporters of the President have three answers:

1. A rapid growth of private investment does not require such high business returns as those that have been earned in recent years.

2. An economy that has less investment and more private and government consumption in prosperity will be more stable and will get more investment over the long run than an economy that goes on a great investment splurge in boom conditions.

3. Larger government expenditures for education, housing, health, security, and development of natural resources,



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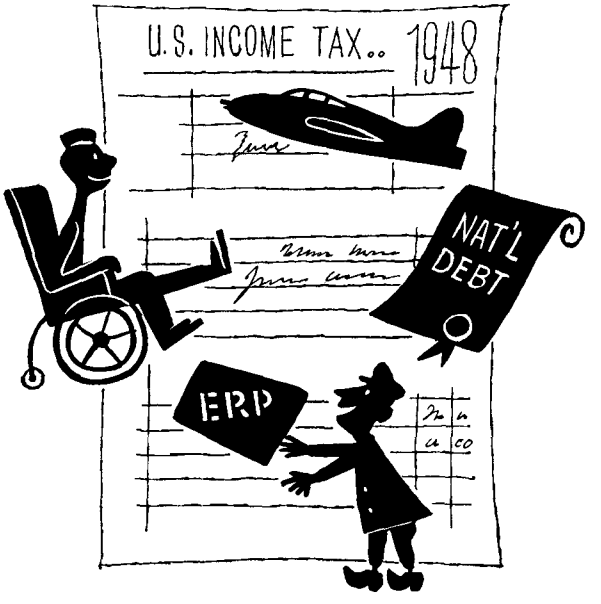
even if they cause some slowing down of private investment, are worthwhile and contribute to national progress.

If the end of the war had been followed by a true peace, these conflicting views could have been brought closer together. We could then have had both lower taxes, and bigger welfare and development programs. But now, with an irreducible core of around thirty-three billions for defense, veterans, international aid, and interest on the debt in a total budget of around forty-five billions, room for compromise is very narrow and the conflict of views is quite acute. Of course we could get a consistent budget policy without agreement between the President and the opposition, if either had a clear preponderance of influence. But the outcome is likely to rest with a middle group, both in and out of Congress, that is impressed with part, and only part, of the argument of each side. This middle group is conscious of the danger of raising taxes, and also of the necessity for increasing expenditures. And the result is likely to be a deficit in the Federal budget in times of piping prosperity—or even of boom.

Does this really matter? The President says it does, because he claims a tax increase is needed now, not only to reduce the debt, but to prevent further inflation. The opposition argues that recession, not inflation, is now imminent. If budget policy is to be adjusted to fit the economic trends, the government must be prepared to raise taxes or reduce spending, or both, in inflationary conditions. This is impossible unless the government can recognize just what the economic trends are and can tell inflation from recession. And there must also be a working agreement on ways to change the budget rapidly to fit changing conditions. Uncertainty may be the chronic state of the economy. It will always be difficult to prove to skeptics that anti-inflationary fiscal action, which is always unpleasant to someone, is really necessary. The point is not that the prophets of recession may be right this time but that they may be wrong a good share of the time. The general danger in this situation is that budget policy develops a continuing pro-inflation bias year in, year out.

Apart from the difficulty of diagnosing accurately what economic trends are, and therefore what budget policy ought to be, the present rigidity of the budget makes it very difficult for any action to be taken rapidly. Fiscal policy must be able to move fairly quickly to raise taxes or cut expenditures without serious injury to the economy and without running into a knock-down, drag-out fight over the distribution of income. If the current budget arguments in Congress are to be taken at all seriously, there is little freedom of maneuver in our present budget.



The greatest contribution to renewed freedom of action would be a genuine settlement of international tension permitting a large reduction in international aid and military expenditures. This does not appear probable within the immediate years ahead.

But there are other measures, short of peace, that would help to reduce the size of the budget.

The Hoover Commission reports that many great savings could be made in government operations, which, if put into force, would retain the same real government service for less money. However, it is clear that such savings will be realized only in the course of years, and will be counted in millions rather than billions.

The largest economies can be achieved in the Military Establishment, not only because it is the biggest of all agencies, but because it is criticized by the Hoover Commission as the most inefficient. The first statements and actions of the new Secretary of Defense suggest that much more rapid progress may now be made toward unification of the armed services and the savings to be realized from that move.

Less attention has been paid to the chances of greater efficiency on the other, the tax, side of the budget. Reduction of expenditures would permit the budget to be balanced, or an anti-inflationary effect achieved, with a smaller total of taxes. Reform of the tax structure would permit imposts to be collected with fewer adverse effects on incentives and investment. In fact part of the reason for the strong opposition of business to any tax increase is the feeling that the present tax structure, as it affects business, is so poorly devised.

In 1944 and 1945 a lot of work was done on possible reforms of the tax structure. Plans were made to change the tax treatment of business losses, the computation of depreciation, the double taxation of dividends, the tax exemption of state and local securities, the handling of capital gains, the assessment of tax on fluctuating incomes, and other aspects of the tax framework.

But all of these plans were drawn up with the very comfortable expectation that peace would permit a large reduction of taxes and make reform easier and more acceptable.

The failure of revenue needs to recede has left the postwar tax-reform plans high and dry. Not having anything to give away, Congress has been reluctant to get into the technicalities and controversies of tax reform. But while the problem of reform is different and more difficult than it appeared four or five years ago, the need for reform is even greater, the chance of achieving it less.

Thus the cold war, by forcing us to maintain a high and rigid budget, also forces us to postpone any appreciable reduction of the national debt, to delay reform of the tax structure, to postpone many desirable social measures, and makes it very difficult indeed to use our government's fiscal policy to help eliminate inflation or recession.

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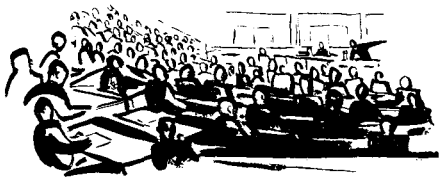
Welfare with a Union Label

The UAW stresses security, not wages, in the fourth round



Now that negotiations between the United Auto Workers, CIO, and the Ford Motor Company are beginning, the battle for a fourth round of wage increases is officially under way. This year's campaign, however, bears small resemblance to the last three; reacting to strong economic pressures—unemployment, slipping prices, the vague anxieties besetting business this spring—auto labor has shifted its frontage for the fight.

For the first time in UAW history, a demand for a direct wage increase has been dropped from highest-priority position. Significantly, its request for a 15-cent-an-hour raise is listed third. The UAW's No. 1 objective—the high hill it intends to capture against the heaviest massed batteries of the opposition—is Mount Security. Its plan, ambitious and expensive, proposes a welfare fund to cushion its members against the punishing blows of modern industrial life: sickness, disability, unemployment, a pinched old age. It is after an International United Auto Workers Fund, ultimately to cover the entire automotive industry and provide hospitalization, medical, surgical, and maternity services, sick benefits averaging half-pay, life insurance, and retirement payments of $100 a month at sixty. The fund would be administered by the union and the employer; the employer would pay the bill.

This is not an entirely original scheme. Several individual unions, notably David Dubinsky's International Ladies Garment Workers, AFL, and John L. Lewis's United Mine Workers, have operated similar funds for some time. The significant thing is that one of the largest unions in America is making security its major objective for 1949, and that most of the important internationals are preparing to follow its lead. Therefore, insofar as it is possible to characterize disparate union practices, security has become the dominant feature of the fourth round.

As a maneuver in the wage war, the tactic is adroit. Until now, labor has assaulted the high ramparts of living costs with the single-minded tenacity of a General Patton. Since 1945, the UAW has won successive wage increases of 18, 13, and 11 cents an hour, based on the rising cost of living. It thereby established a firing line for most of labor. But this winter brought an uncomfortable reminder that the so-called "escalator clause" tying wages to cost of living could work two ways. The living-cost index has dropped, and auto workers have taken a wage cut.

And so the UAW's new plan has little to do with living costs. It strikes a solicitous, almost paternal note: concern for the nation's human resources, an emphasis on spending for the sake of conserving. It is both ingratiating to public opinion and awkward for industry, because there is nothing spurious about the need it proposes to meet, and, since it would raise wages only in an oblique sense, it sidesteps neatly the

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otherwise crushing argument of industrial leaders that if wages went up because prices went up, the same rule should apply on the way down. From both viewpoints, it is one of the happiest tactics labor has yet devised to meet the shifting conditions of its economic battlefield.

To illustrate how far the unions have strayed from their previous line of approach, one need only mention the Ford negotiations of two years ago. Then, instead of a wage increase, the Ford high command offered the auto workers a welfare set-up almost identical to the one they now demand. The workers turned it down by an overwhelming vote. In the trade-union tradition of Samuel Gompers they confined themselves to a narrow concern for wages and hours.

Already the wage-freezing Little Steel formula of the Second World War had undermined, to some extent, the Gompers principle. With no pay boosts to press for, the unions took up so-called fringe issues, and welfare funds came under that heading. By 1945, 600,000 workers were covered by welfare benefits through collective bargaining agreements. The number today is three and a half million.

Even in wartime a spurt might never have developed without earlier reconnaissance in the welfare field by unions regarded at the time by their more orthodox brethren as somewhat eccentric. Dubinsky's ILGWU pushed off timidly in 1937. Now the Union Health Center in New York serves 150,000 garment-workers; the union's pension fund matches Federal government benefit payments dollar for dollar; it finances paid vacations, pays sick benefits, and foots hospital and surgical bills. It has provided a sensational example for the entire labor movement. The gratitude of ILGWU members toward their union surprised some of its more cynical leaders.

Since V-J Day, the case for welfare funds has been strengthened even more dramatically by the United Mine Workers. It took Lewis two strikes and a running battle with industry and government to get the fund going, but he has been rewarded. The miners regard it with affectionate wonder. And indeed, for workers wounded in the subterranean struggle for coal (one of every eight miners is killed or injured each year, and the destiny of survival to old age is the human scrapheap) the miracle must be dazzling.

Thus, as bargaining time rolled round again this year, most union members were set for the new tactic. It was natural for them to adopt the welfare-fund idea on a national scale.

By doing so they automatically enlarge industry's responsibility and their own domain. They are binding the employer, willy-nilly, to the principle that he must reckon his workers' lifelong welfare as much a cost of production as the wages of their daily labor. The union becomes bargaining agent for the worker as a complete man, whose peace and physical well-being, in and out of the factory, it is looking out for. That means that labor organizations are assuming greater responsibility in the workings of the nation.

It has been charged that labor is usurping what is rightfully a government function. Even now, with the welfare program in comparative infancy, employers are contributing a billion dollars a year for labor's pension systems alone—$200 million more than they pay into the government's Old Age and Survivors' Fund.

It also has been alleged that labor is creating in certain restricted zones a sort of a social-democratic system, European model. There are similarities, to be sure, to the current program of the British Government. The American proposals have neither the unity nor the comprehensiveness of the Beveridge Plan. But admittedly they are heading for the same goal: society's care of its citizens from cradle to grave.

If this be social democracy, it is almost absent-mindedly so, for it constitutes a practical adjustment to circumstances with little regard for ideology or label. Many employers have been frankly friendly to the whole concept, preferring it to a broader Federal system which can't be geared to specialized problems in certain industries.

Yet the absence of doctrine or plan does not remove the implications of labor's acts. Establishment of union welfare funds on a national scale will vastly increase labor-organization power. It is not impertinent to ask what may be done with that power.

For instance, tremendous sums of money are to be concentrated in union hands. The two Mine Workers' Funds (anthracite and soft coal) yield $132 million a year, and Lewis reportedly is preparing demands that would almost double the figure. The current UAW proposal asks the Ford Company to contribute an estimated $243 million for the first year and $20 million annually thereafter for the pension plan only, and five per cent of the payroll for other benefits.

But such sums could become a whip with which to enforce union discipline. Many contracts require that benefit recipients be union members in good standing, so the welfare of the workers might be at the mercy of the union boss. To opponents of the closed shop, that would be considered an almost equivalent evil. To others it is an inevitable extension of union enterprise.

Another objection is that union members will become a privileged class. To cover them with special benefits, not enjoyed by lesser citizens, the consumer frequently pays higher prices. In the mine workers' case, the first contract incorporating the fund was signed May 29, 1946, and in July of that year coal went from $10.73 to $11.23 a ton. In the UAW's agreement last year with Kaiser-Frazer, the contract was signed June 1; on July 4, K-F car prices rose from $100 to $230 on various models. And this year, Ford executives have warned that the UAW pension plan could only be accepted if the workers took a pay cut or "customers paid for it in higher prices."

There exists doubt that labor and industry can carry the welfare load. The Railway Brotherhoods, in spite of their seeming actuarial soundness, were forced to appeal to the government for help in the bitter days of the early 1930's. Already today, the new funds are under strain. Should unemployment grow, laid-off workers would be deducted from employers' payroll contributions, and the funds would be hit hard before they could be built up. The Kaiser-Frazer fund has dropped 10-20 per cent in income this year.

While these drawbacks on the whole provide no conclusive argument against the spread of union-management welfare plans, they suggest some limitations. If the economic trend worsens they will have some value, but probably a secondary one. In such an intricate problem, where monumental financing and integration are needed, it is still government, in the final analysis, which must provide the safety net.

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Plenty of Punches, No Judy

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To Man's Measure . . .

The Managers

by W. H. Auden

In the bad old days it was not so bad:
  The top of the ladder
Was an amusing place to sit; success
  Meant quite a lot—leisure
And huge meals, more palaces filled with more
  Objects, girls and horses
Than one would ever get round to, and to be
  Carried uphill while seeing
Others walk. To rule was a pleasure when
  One wrote a death-sentence
On the back of the Ace of Spades and played on
  With a new deck. Honours
Are not so physical or jolly now,
  For the sort of Powers
We are used to are not like that. Could one of them
  Be said to resemble
The Tragic Hero, the Platonic Saint,
  Or would any painter
Portray one rising triumphant from a lake
  On a dolphin, naked,
Protected by an umbrella of cherubs? Can
  They so much as manage
To behave like genuine Caesars when alone
  Or drinking with cronies,
To let their hair down and be frank about
  The world? It is doubtful.
The last word on how we may live or die
  Rests today with quiet
Men, working too hard in rooms that are too big,
  Reducing to figures
What is the matter, what is to be done.
  A neat little luncheon
Of sandwiches is brought to each on a tray,
  Nourishment they are able
To take with one hand without looking up
  From papers a couple
Of secretaries are needed to file,
  From problems no smiling
Can dismiss; the typewriters never stop
  But whirr like grasshoppers
In the silent siesta heat as, frivolous
  Across their discussions,
Out of woods unaltered by our wars and vows
  Drift the scents of flowers
And the songs of birds who will never vote
  Or bother to notice
Those distinguishing marks a lover sees
  By instinct, and policemen
Can be trained to observe; far into the night
  Their windows burn brightly,
And behind, their backs bent over some report
  On every quarter
For ever like a god or a disease
  There on the earth, the reason
In all its aspects why they are tired, the weak,
  The inattentive, seeking
Someone to blame; then if, to recuperate,
  They go a-playing, their greatness
Encounters the bow of the chef or the glance
  Of the ballet-dancer
Who cannot be ruined by any master's fall.
  To rule must be a calling,
It seems, like surgery or sculpture, the fun
  Neither love nor money
But taking a necessary risk, the test
  Of one's skill, the question,
If difficult, their own reward. But then
  Perhaps one should mention
Also what must be a comfort as they guess
  In times like the present
When guesses can prove so fatally wrong,
  The fact of belonging
To the very select indeed, to those
  For whom, just supposing
They do, there will be places on the last
  Plane out of disaster.
No; no one is really sorry for their
  Heavy gait and careworn
Look, nor would they thank you if you said you were.

A Comment on the Poem

If Mussolini was a manager, if Hitler was a manager, if Stalin is a manager, then, for us and presumably for Auden, the difficulty is perfectly plain. But if Roosevelt was a manager, if Mr. Truman and Mr. Attlee are managers, the difficulty is obscure indeed.

When the managers are recognizably tyrants, when there is a clear evil, when there is tyranny by a man, or by a man and a party, or by a group of men and a doctrine, then everything

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is simple; you know you are slaves; and every instinctive desire for freedom opposes the man, the men, the doctrine, the party, that enslave.

But if the managers are elected by the people, responsible to the people, dismissable by the people; if they are well-meaning, there is another difficulty, in some ways a harder one. Because then we are faced with more than the problem of which men hold the power, or whether they deserve it, or how they came by it. We are faced with the problem of how much can be accomplished by power, no matter how carefully delegated and exercised.

We have recently elected Mr. Truman and wherever we live there is a Justice of the Peace who is not there just because he wants to be there; or there is the Mayor who is not there just because he thinks it is a good idea; there is the Governor of the State and the State Legislature; in Washington there are the Representatives and the Senators—and none of these is where he is, managing any thing at all, except by the mandate we have given him. All the committees and commissions, all the 2,050,200 employees in the Federal Executive Departments and Agencies (as of January 1, 1949), all the employees of all the states, counties, municipalities, townships, and villages, are our employees and they manage our affairs with our consent. All the judges, all the police, are delegated by us to administer a justice that they do not invent or improvise but that we have invented over the centuries.

These are our managers. They manage not us, but our affairs.

Everything should be all right. And, as a system, everything is all right—or, at least, there is no better system anywhere, none that we envy. We have made a government, and a system, the way we wanted it to be, and there is no other system of government (on the Moon, or Mars, in Russia, or Saturn) that we would prefer if we could have it. We have our managers and they are not alienated from us. They do not push us off the sidewalks. And they cannot forget us because we can see to it that they lose their jobs.

The American system is a fine system. It does not even present the drawback of being something that is there forever and that can only be looked at. It can be, and has been, and will be, amended and improved; it is flexible within its own unchangeable principles of freedom as thought is flexible within its own unchangeable limits of logic. The American system can never be archaic; it can never look like something that people have forgotten to bring up to date with the changing technologies of freedom.

We look back at our last manager-in-chief—that man who was so weighted down and enchained (literally), and who was so weighted down and enchained (spiritually) by the fact that he had to take decisions of life and death and these decisions were imposed upon him from outside, by events other wills provoked. We look back at him, and he was a politician, he laughed, he smoked too much; he was a great man or he was not, he got angry and then he was vindictive, and he had fifty ideas a minute. It simply is not possible for us to think of him as a master, or as a manager managing our affairs in cold detachment from us.

Or we look at the man who managed the invasion of Europe, and here he is writing to the Columbia alumni, telling them that it has not been so easy to find out how to manage a university but that he means well and that perhaps the university will need a little more money sooner or later.

Or we look at Mr. Truman, and he does not frighten us because we know how it happened that he is where he is and it is not because the Argentines and the Greeks put him there.

All this is very consoling, very reassuring, and all the more so because it is not taken for granted: the managing done by our managers is not taken for granted, nor are our freedoms. There are all the committees worrying about our freedoms; there are the press, the radio people worrying about their freedoms and, what is even better, there are citizens defending their freedoms against the press and the radio; there are the states defending their freedoms against the Federal State in Washington, and, what is even better, there is the man who writes to the paper defending his village monies from the county.

Then everything is all right? Not quite. We have the best system in the world, to be sure, but often we get to thinking that we are no more than spectators at a play—with the right to watch the actors (the managers) come and go, the right to applaud and hiss, and even to put on other actors. But not the right to put on another script. For the play seems to be written once and for all—and not by us.

What appalls us is that it is not written by the managers either.

It is the war, the two wars, of course, that have created this anxiety. And it is not that they came to us against our will; it is that they came to us from some zone that was altogether outside the possibility of being affected by our will. The wars came neither by or against our will. Our appointed managers were at their posts; the wars enveloped them like fog drifting in from sea.

We are a democracy; our managers are closer to us than they would be under any other system. We control them as far as it is possible to control delegated power in the tremendous complexity and size of modern civilization. (We cannot come on Sunday into the cow pastures of a Swiss canton —with the bright flags, the refreshment booths—and have a show of hands.)

The agonizing question is what do our managers control? Without them, there is anarchy. With them, there is sometimes the feeling, not that they are remote from us, but that the matter they handle — the matter of life and death—is remote from them.

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A Poet with an Audience

Nick Kenny Brings the Muse to All the Broadways

At a testimonial dinner in Manhattan a few months ago, Nicholas A. Kenny, a radio columnist for the Hearst syndicate and the most widely read of living U. S. poets, rose to recite a work he had composed for the occasion. Halfway through the fourth stanza, he heard whispering.

"Somebody ain't paying attention!" he roared.

Silence immediately closed upon the room. But Kenny, a strapping and restless man of fifty-three with a gravelly voice, a scooped nose, and emotions that are easy to arouse and hard to quiet, refused to go on.

"The mood was shot," he said.

An occasional shooting of the mood is a minor complaint of modern U. S. poets. Their major one is that people tend to ignore them, or think of them as dead, or regard them as freaks of nature whose usefulness and virility are open to equal question.

Kenny is offended by all these attitudes. Worse, he realizes that they were wished on him by generations of languid, bloodless young men with whom he has nothing in common, save that he also writes in rhyme and meter. Naturally, Kenny resents this inheritance, as might any man who has served two hitches in the Navy and stroked a life-boat crew. When Kenny receives a letter linking him with less muscular poets, he may go over the problem with an informed friend.

"Where do these rummies get off?" he may start by asking. His friend may then point out that the popular American conception of poets as dreamers and sissies probably began sometime last century when the United States turned for its heroes to bankers, politicians, railroad kings, and cowboys whose cultural media were the debenture, the lodge grip, and the Colt .45. Perhaps, the friend may add, Oscar Wilde's lecture tour of the Wild West, a spectacle that is said to have scandalized pioneer and Sioux alike, started a buzz of evil gossip that has never died down. Whatever it was, Kenny has to conclude that the poet is not respected by the man in the street.

This puts Kenny, a lifelong man in the street, in a queer position. The implication, if he continues to write verse, is that he sides with the intellectuals. Nothing could be farther from fact. Kenny has no traffic with intellectuals, especially those who always talk mysteriously about art. He is quite sure that, now and always, the objects the intellectuals call art usually turn out to be something the people don't like. Kenny, who is a successful songwriter as well as a poet, never bothers producing anything he thinks the people will not like. Still, when poets as a class are challenged, he is, of course, challenged with the rest. It is a terrible dilemma.

Actually, Kenny has done as much as anyone to make poetry palatable to the people. T. S. Eliot, who has written searchingly of the inhabitants of what he calls the "wasteland," is little attended by them. Kenny is read by more than a million people every day. Walt Whitman rarely received more than a dozen letters a month from readers; Kenny claims to receive a daily average of 500. In the nineteen years he has been writing his daily column of verse and pep-talks for the underprivileged heart, he has drawn thousands of readers to his home paper, the New York *Daily Mirror,* and to other papers of the Hearst chain. Reprint requests for such Kenny favorites as *That Little Old Bible of Mine, Purity,* and *A Mother's Faith (Why am I proud and full of smiles? My boy is on the Solomon Isles . . .)* have run well over 50,000 each. Some people have said that Kenny's verses have saved their lives.

Other poets, as a rule, do not share the public enthusiasm for Kenny. The trouble is that they do not understand a man who comes right out and says what he means. Most contemporary poets get down to facts as gingerly as strip teasers, letting fall a little here and a little there, but keeping the seed of wonder veiled—until the pivotal moment. They intensify by stalling, in short. Kenny, a longtime newspaperman, refuses to resort to this trade practice. When he wants to write about something he says so in the title—*The Horn Doesn't Make the Car!, Repent, Starving Woman Drops Dead in Breadline!,* and *Wear a Hat and Slap a Jap!* Having begun candidly, he does not descend to trickery in the body of his verse. Late in 1942, for instance, he got to thinking about Hitler and wrote:

You claim you're more than man—
A thing divine!
A "thing" is right . . . *

He is direct even when combining four of his favorite themes—the nautical, maternal, tearful, and celestial:

Some fine day my ship will anchor,
In a place for which I hanker,
And I'll walk with pace unsteady
To her little vine-clad home,
And with mother's tears aflowing,
I unmanly feeling showing,
Will make mother glad on saying,
That no more her boy will roam! *

Since the First World War, poets, many of them under the influence of Eliot, have joined in the theory that the United States is a wasteland of materialism. Kenny does not hold with the wasteland idea. Such gloomy fashions

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in poetic thought affect him no more than they affect the people. In this way, he achieves a kind of immortality, or rather he reflects it, for the themes of dissolution have never stood against the abiding themes. Regarding church, he writes:

Is your back against the wall?
Go to church!
Have you seen your castles fall?
Go to church!
Do you bear a secret sorrow?
Are you fearful of tomorrow?
God has strength that you may borrow . . .
Go to church! *

There are a number of things that Kenny feels he must be against, of course. These include "Red rats," fear, philanderers, the loss of the U.S.S. *Arizona* to the Japanese, suspicion, vivisection, and women barflies. Kenny's poem about women barflies appeared almost immediately after he received a communication denouncing them from his chief, William Randolph Hearst. He wrote:

Loafing in a barroom, see them in a row,
Silly women barflies putting on a show . . .
Legs asprawl, their bodies overlap the stools,
Gulping down their highballs, breaking all the rules. *

More even than female alcoholism and the dismemberment of dogs, Kenny is outraged by cynicism. It always seems to issue from pale folk who appear to be in on some profound artistic secret of which he and the people at large are in ignorance. Kenny hates and fears cynics more than he does ordinary intellectuals, although he consigns them all to a kind of spindly, bespectacled, subversive race he calls the "Thinks." So far as he can make out, "Thinks" never seem to do anything—they are not prizefighters, or generals, or movie stars. But they are always around criticizing what the doers do. Recently, for example, twenty of them sent him a parody verse entitled "That Little Old Cornball of Mine." Kenny has been the victim of more earnest criticism on the ground that he is not a true people's poet, that he knows nothing of such inherited American symbols as the campfire, the long rifle, the lonesome whistle of a night train in the barrens. These attacks he fends off by what he calls "smooth diplomacy."

Newspapermen who have known Kenny since his muscle-journalism days regard him with tolerance, amusement, or hostility. The hostile ones question his professional ethics, challenge his readership and fan-mail claims, or assume a look-who's-talking air when confronted by one of his moralizing verses. In some cases, they even resent his income, which runs to $25,000 a year.

Largely untroubled by such carping, Kenny hustles amiably about his everyday work, which is to cover New York's radio, song-writing, and entertainment industries, as well as to write poems. His writing is done in the daytime, his reporting at night, in an efficient, taxi-borne round of nightclubs, radio studios, sports events, parties, dinners, and benefit shows. Kenny fills four columns every week with news of radio and movie stars, night-club figures, new songs and personalities, and plugs for unknowns who need a lift. These columns he slugs "Nick Kenny Speaking."

In the other three columns, headed "Day-Unto-Day," Kenny broods, or reminisces, or fights evil, or exhorts. These are the productions that get people worked up. Readers who have imagined the poet Kenny standing, wind-whipped, on a hill at evening, might be badly shaken to see him scrambling from Leon & Eddie's to the Stork Club, a midnight-blue Homburg riding at an angle, his little eyes snapping with humor and craft, a big cigar in his mouth. Unlike most poets Kenny must spend most of his time in the frenetic atmosphere of Broadway, Tin Pan Alley, and Radio City.

As a result of his activity in nocturnal New York, Kenny has developed a sharp, tough, and suspicious side which seldom is reflected in his verse. It was,

* These poems by Nicholas A. Kenny originally appeared in the New York *Daily Mirror*.

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however, apparent to a reporter who recently paid a visit to the poet's study —a littered and clamorous office on the sixth floor of the Mirror Building, on East Forty-fifth Street—to interview Kenny.

The noisy office was a-throb with twenty or so performers, press agents, and friends of the column plus several persons nobody seemed to know. Kenny loomed behind a corner desk with his collar open. He peered sourly at the reporter.

"Who you with, kid?" he asked.

The reporter named a magazine that is often less than kind.

"Kid," Kenny said, very softly, "did you come down here to be mean to me?"

The manager of a stripper named Electra arrived at this moment and began remonstrating with Kenny for ignoring his client. Kenny ignored the manager. Then a Negro quartet called the "Four Tunes" arrived, accompanied by a photographer. While Kenny was posing with the "Tunes," he mentioned a new song he and Charlie Kenny, his brother and collaborator, had written. "It's called *Beyond the Purple Hills,*" he said. Someone remarked that it was a little like *Red River Valley.* To make things look natural, Kenny posed at the piano, playing and singing *The Hills.* The quartet took up the harmony, humming softly. Against their musical background, Kenny's lyrics promised the common people a little peace and quiet if they could just make it over the next rise. "That's a very religious tune," Kenny said huskily.

When the "Tunes" had left, Kenny got back to his desk and the reporter. He reached into a drawer and produced a thin mimeographed document, resembling a publicity release. "If you want any facts about me," he said, "they're all here. This is my autobiography."

Like that of Henry Adams, Kenny's autobiography is written in the third person. Though sketchy, it is, at the moment, the best source of material on the poet's life.

Kenny was born in the teeming and tenemented Irishtown section of Astoria, Long Island, one of the toughest neighborhoods in the memory of the New York police force. By the time he was thirteen, Nicholas, who had grown to great size, was developing a fine right cross and writing poems in praise of everything. His verse was distinguished chiefly by the speed with which it was composed. It made less of an impression than his fists in Irishtown, but Kenny could always count on spiritual support from his mother, who was a reflective woman despite heavy family responsibilities. Among the thoughts she gave him was this one: "The highest culture is to speak no ill."

When he was fifteen, Kenny's creative forces were all centered on one vast enterprise—seeing the world. It was no time for analytical exercises. In a burst of action one day, he joined the Navy. He stayed in and saw the world for eight years.

Back on land in 1919, Kenny who by that time had written several gross of poems, all with a Navy background, got a job on the Bayonne, New Jersey, *Times.* After memorizing a book called *Essentials of Journalism,* which contained sample stories by such reporters as Frank Ward O'Malley and Damon Runyon, he rose steadily from a police beat, to the sports editorship, to a column of his own entitled "Getting an Earful."

This column, Kenny writes, "made him a host of friends." It also aroused the curiosity of the late Arthur Brisbane, who hired him for Hearst's Boston *American.* "In Boston, the Old Sailor did exceptionally brilliant work," Kenny continues, "but to little avail. When the *American* went into reorganization, he was the first to be let go since he was the last to be hired.

"Losing this job as a rewrite man was a discouragement that, to a lesser man, might have proved overwhelming," Kenny goes on. "To Kenny, however, the bitter discouragement was hardly more than a new, burning incentive." Openly ablaze, Kenny bore down on New York City, where he soon found himself writing news reports in rhyme for the burgeoning *Daily News.*

"At the *News,*" writes Kenny, in one of his rare but bang-up lapses into ambiguity, "Kenny was able to reach up and take the stars down from the skies, make them human, and at the same time accord them all due respect, maintain their prestige, and double their popularity."

In 1930, Kenny moved to the *Mirror* as radio editor, the job he still holds. At about the same time, he and Charlie, who had already written 500 unpublished songs, began coming up with hits like *There's a Gold Mine in the Sky, Love-letters in the Sand,* and *Little Cathedral in the Pines.* Since then the Kenny & Kenny tune foundry has been operating full blast.

In his early columns, Kenny stuck close to the radio, music, and entertainment news, but later he decided to sneak in the poems. This has proved a profitable decision and the *Mirror,* which at first was of two minds about Kenny's verse, now is all for it. Of all his favorable critics, however, Kenny himself is the most zealous and articulate.

"I'm clear and I'm brief," he says. "I never write anything I don't personally understand. That way, nobody gets confused. Also," Kenny adds, somewhat guardedly, "I am sincere. In all my life, I never wrote a line I didn't mean at the time. That's what gets me through to the subscribers. If I was to try any tricks, I'd be finished. You can't kid people on my level."

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Dixie

Southern Liberals On the Move

Liberalism in the South was until very recently a career for the hardy few: Hodding Carter writing fiery editorials in the Mississippi Delta country, Frank Graham, now a U. S. Senator, building a great university at Chapel Hill, and Aubrey Williams preaching simple truths to the dirt farmers. These are the South's famous liberals—each working with great energy, unflagging conviction, and some effect. But until the Southern Regional Council was organized in 1944, many Southerners who had liberal inclinations but less glamorous jobs had failed to pitch in and do their part. This failure, the underlying reason liberalism has been so long taking root in the South, has stemmed mainly from a sense of aloneness. The independent liberal, constantly pitting his ideas against the status quo thinking of his neighbors, has had only his own standards to guide him and nothing to brace him when he began to sag. He could not evaluate his shortcomings objectively.

Northern liberals criticize the Southern liberal mercilessly, but make little effort to understand him. They rail at his tendency to insist that economic progress must come before civil rights. They get disgusted with him because he persists in remaining aloof, feeling that Northerners are persecuting him —a feeling which springs from his lonely urge to feel at one with the South.

The kind of cooperation needed to relieve this loneliness has been a long time coming. There was quite a stir in 1938 which seemed destined to lead to a working union of liberals. The President's *Report on Economic Conditions in the South,* which appeared that year, pictured a region rich in people and natural resources, but desperately poor in money and industrial development; a region whose one-third Negro population was living in poverty, ignorance, and sickness. More than fifteen hundred dismayed Southerners gathered in Birmingham, Alabama, to discuss this report—and stayed to form The Southern Conference on Human Welfare.

The conference did not get far in the South. It was directed not by fatigued liberals, but by a species of hyperthyroid liberals. With more zeal than realism, its leaders set out to storm all the battlements of Southern reaction at once. While the Southern liberal admitted there might be a need for an organization pursuing an "all-or-nothing" policy, it was not *his* need. He was not prepared—he was not quixotic enough—to tear away from the community he lived in.

Fifty-six Negro leaders made the next move, when they gathered in Durham, North Carolina, in October, 1942, and issued a statement on "just what the Negro wants and is expecting of the postwar South and nation."

In response, a group of white Southerners, meeting in Atlanta, found this statement "so frank and courageous, so free from any suggestion of threat or ultimatum, that we gladly pledge our cooperation." The groups came together and the Southern Regional Council took form. It is a membership organization, chartered under the laws of Georgia, with control in the hands of its members. Any citizen of the thirteen Southern states who subscribes to its principles may join.

One exuberant member of the council has called it "the South thinking." More modestly, it represents the homegrown Southern version of liberal thinking — a thinking not in conflict with liberalism elsewhere but shaped to a certain extent by the exigencies of the region. It cannot be judged abstractly. It can be judged in terms of what it tries to do—to bring about the active

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cooperation of whites and Negroes.

The council member has not been upset by criticism coming from some Northerners and a few super-zealous Southern liberals. He admits that the council has taken no firm stand against segregation — the principal charge so far brought against it — but he believes there are justifiable reasons for this failure to act. The council includes a great variety of liberals, some more concerned over the evil of segregation *per se* than others. But they unite on one fundamental issue: the Negro must have equal rights to citizenship, health, employment, and education; and the South must be raised to the nation's level.

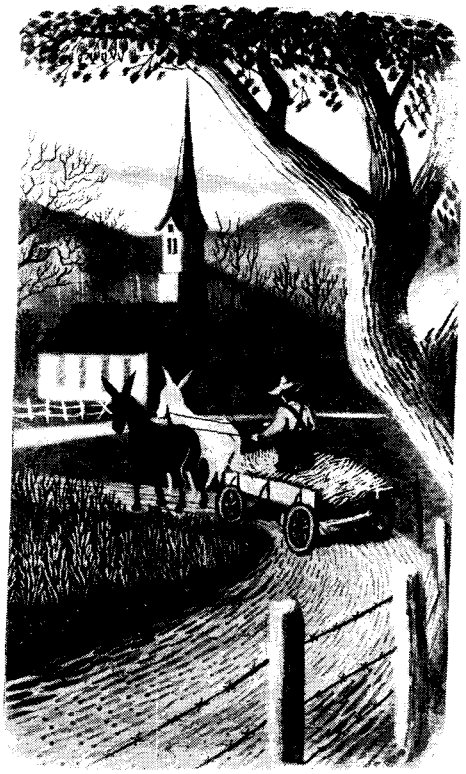
There is no segregation inside the organization. Negroes and whites work together in the central offices in Atlanta and wherever the council holds local meetings. Its members have not stirred up any furor because they have gone about things discreetly. They meet in a church, a university building, or maybe a public recreation center. They take into account local prejudices; they want meetings, not riots.

The council is not, and does not expect to be, a mass-membership organization. Most of its energy is devoted to stirring others to attack existing wrongs. It cares less about being theoretically right than about discovering practical techniques for promoting community action. Nor does the council sponsor specific bills; it prepares material and testifies in support of a wide range of progressive legislation on the state level. In towns and villages, it attempts to prod groups of interested citizens to undertake self-surveys of what is wrong with their communities and advises them on procedure.

Reform movements in the South have always been characterized by a certain obliqueness of attack. When the council campaigns for more widespread use of Negro policemen in Southern communities, it emphasizes not the constitutional rights of the Negro but how this will keep down disorder in the Negro neighborhoods. The theoretical liberal might say this is weaseling. But the council liberal, trying to win over the group which holds the real power, the Southern whites, is interested in getting practical results.

Because the council is bi-racial, it has been a valuable instrument for working against racial violence, which was expected to flare up in the post-war period. The council provides a network of people of both races who can come together easily, discuss tensions and grievances, and get public action to prevent outbreaks. There is no way to measure how much trouble has been prevented in this way, but the record shows that there have been ten lynchings since the Second World War, compared to nearly two hundred during the three years after the First. There were fewer lynchings in the South last year than there were plays on Broadway about lynchings in the South.

The council had its trial by fire last year during the hectic period which followed the report of the President's Committee on Civil Rights. The challenge of civil rights was put squarely to the South, and that region gave forth a cry of enraged anguish. Much of the ensuing controversy was carried on with no real knowledge of the President's report or of what it recommended. The Southern press started with basically inaccurate information, then enlarged on it. In this explosive atmosphere the council put out a digest of the President's report entitled *To Secure These Rights,* and circulated more than 10,000 copies to newspaper editors, educators, and lecturers. It followed up with a companion piece, *The Condition of Our Rights,* which showed factually how much the South was found wanting.



Last September, with the civil-rights controversy at white heat and the Dixiecrat movement seemingly sweeping the South, the council's twelve-man executive committee unanimously adopted a resolution, called *An Honest Answer in the Civil Rights Controversy,* asking the South to face up to its task, to turn itself constructively to legal, educational, and economic reforms. The resolution also asked the rest of the country not to adopt the "irreproachable in spirit" but "exclusive" attitude of trying to force change by legal mechanism alone, ignoring the adjustments which must be made at "the operating level of society."

The council member does not think a great deal about long-range objectives in the field of race relations. He knows vaguely that the ugly reality of segregation must end some day, but he does not know exactly how this will come about. He knows that in many ways segregation is a farce — that physical segregation is a fantastic illusion in the minds of Southerners. The white man and the Negro go to different theaters, but the Negro lives and works in the white man's house and eats from the same dishes. It would not take much of a satirist to ridicule the Southern white man's notion that he has managed to keep the two races physically apart.

But it will take more than satire to eliminate the segregation that exists in the mind. The white man and the Negro in the South will be segregated in their minds as long as the white man has political rights and the Negro has none, as long as the white man has health and money and education, and the Negro has so little. Breaking down these differences will do more to undermine segregation than occasional legal victories involving bus seating.

To break down these differences requires discipline that only organized effort can give. That is what a Southerner, a charter member of the Southern Regional Council, was talking about when he said: "Personally, I should rather help to capture the foothills which have to be captured sooner or later than merely to point out a distant peak and urge my comrades to storm it at once. I, too, can see the peak, but I see no particular virtue in starting an association of peak gazers."

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The Lucky One

Being alive is miracle enough to a new American

Since the beginning of spring, David Farkas, who lives on Manhattan's lower East Side, has been working more regularly than he did last winter. The fur business is starting up again after the seasonal lay-offs and Farkas, a man who has always been lucky, gets two and even three days of work each week.

In 1941, while Farkas was a prisoner of the Hungarians on the Russian front, he was lucky too. In the fields outside Nikopol, a Hungarian officer lined up all the Jews in his labor force and, as a disciplinary measure, shot every tenth man. Farkas was number nine.

In the seven years Farkas was with the Nazis and their friends he ran into luck like that hundreds of times. Six million of the fewer than seven million Jews on the Continent were exterminated during the war. Farkas is alive and prosperous today because of his courage and his resourcefulness, but, as he sees it, the big reason was luck. To many Americans, luck is a telephone call from a radio announcer who wants to give away dishwashers and long-playing record attachments. To David Farkas, luck is a matter of pumpernickel, a bed with blankets, and a pair of scissors. It is everyday living.

Good fortune no less wonderful than the divine favor which brought Ulysses home to Penelope carried Farkas from the boxcars of Europe to the kitchen of his tenement flat on Avenue C, where he likes to play chess with a friend in the evening while his wife, Hilda, bakes for the next day or feeds their two-year-old daughter, Frieda. Living in the United States, even on the lower East Side, and working as a cutter at Exquisite Furs, Inc. constitutes improbable prosperity to David Farkas.

In appearance, David Farkas does not seem especially fortunate. He is thirty-three and has large, melancholy eyes and a soft, almost apologetic voice, which make him seem more an apprehensive boy than a hardened man. He comes from the Carpatho-Ukraine, the mountainous eastern tail of prewar Czechoslovakia that has, in Farkas' lifetime, belonged to Austria-Hungary, Czechoslovakia, Hungary, Germany, and the Soviet Union. But Farkas always thought of himself as a Czech. His mother, widowed soon after David was born, kept a store in the village of Sinovir to support her six sons and two daughters. Of this family only David and one brother are still alive.

Being a Jew, Farkas was taken into a labor battalion when the Hungarians came to Sinovir in 1938. He was lucky to be young and strong; Jews who could not work were not tolerated.

Jews who could work were fed—at least until an SS officer came along and insisted on their summary execution.

When this happened, a few lucky ones would manage to run away and find another place where workers were needed. Men who went to the wrong places were shipped to the ovens at Auschwitz. Men who hid in the fields starved to death, even those who developed a taste for shoes and human livers.

The best luck Farkas had during the war was meeting a fat Hungarian supply major, a Catholic who had been a druggist in Budapest. "Come, all my children," he used to call out to the Jews. He gave them food and let them live with him on his supply train. Farkas says the major was laughing all the time. When he tells about the Hungarian major, he holds the tips of his finger together in front of his mouth as if he were describing something good to eat.

Of course, the life on the supply train did not last. Someone informed the Germans and the major was transferred to infantry duty. His adjutant, also a good man, told the Jews to run away in three groups. On the third evening the adjutant called Farkas' group to his boxcar. "Look," he said, "the others were caught. It is hopeless. Go if you like, but why bother? I will do you a favor: I will shoot you decently myself."

Farkas did not accept this well-meant offer. He took many chances and his luck always held.

Four years ago, in the spring of 1945, when Farkas was working in a German factory at Mühldorf, he was liberated by American troops. Fortunately, they permitted sickness among Jews. It was lucky for Farkas because he was ill for two months from his new, rich diet. Many displaced persons died from feasting their weakened, dried-up stomachs.

At a D.P. camp in Salzburg, Austria, he met Hilda, a big, blond girl from

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Uzhorod in the Carpatho-Ukraine. She had been working in Austria during the war, carrying stones for road building. Her parents and her brothers had been sent to Auschwitz.

Before marrying, Farkas went to Budapest to look for the fat Hungarian major. But this time he had no luck. In Sinovir he learned that all his own family was dead except one brother. A plebiscite, in which Farkas says not one free vote was cast, gave the Carpatho-Ukraine to Soviet Russia at that time. And so, with no family and expecting little good from the Russians, he left his two houses, his fields, and his three cows, went back to Austria, and married Hilda. "What could I do alone?" he asks.

Hilda's aunt in Brooklyn arranged for them to come to America through the Hebrew Immigrant Aid Society, but they were delayed for several months by Hilda's pregnancy. When they finally arrived in America with little Frieda they went to live on Avenue C. The United Service for New Americans gave them money to live on until Farkas found work.

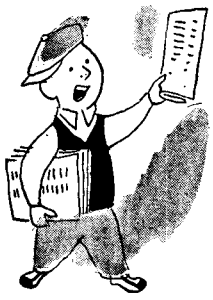
To get his job as a cutter at Exquisite Furs he had to pay a sixty-dollar initiation fee to the Furriers Union and five-dollar-a-month dues. Occasionally he must picket an unorganized shop. Farkas, who is unaware of charges that his union is Communist-dominated, feels that the union is a good thing for the workers. The steward talks to the boss for the members.

What Farkas wants right now is to learn good English. At home he always speaks Yiddish and at the shop all the men except three Negroes speak Russian. Twice a week he goes to an English class run by a volunteer organization, the Committee for Refugee Education. In the basement of the Hamilton Fish Park Library a lady who used to be a mathematics instructor in a high school teaches English to Farkas and five or six other newcomers from Eastern Europe.

Farkas knows that he does not live as well as most Americans. But it is enough to be able to go in peace to the synagogue, as he does at seven o'clock each morning, to be learning English, to have a job at Exquisite Furs, and to be able to invite a friend in for chess and a meal of Kosher sausage, strudel, and flavored seltzer water. To David Farkas, America is full of wonders.

Press

The Silent City Room



The blow sustained by the U. S. press during the night of November 2-3, 1948, was one from which it may not soon recover. To be sure, it bears no scars; but the continued soul-searching of its ablest practitioners suggests some internal injury.

The trouble was not simply that the publishers had spent several million dollars to get one of the biggest stories of our time—the true temper of the American people as an index to the vitality of the Western world — and hadn't got the story. Nor only that they had opposed the majority in matters touching on basic political philosophy, for in such matters opposition can be almost a sacred duty of the press. But also that the publishers, discovering that scarcely anyone bothered with their editorial pages, had got in the habit of serving up their opinions as "facts" in the news columns.

Facts are the life's blood of American journalism. Over the past seventy or eighty years, American newspapers have handled more facts than were ever before printed in all the world. Billions of facts. Just about everything several tens of thousands of alert eyes and ears and noses had seen, heard, and smelled. In sum, a magnificent job.

Mass fact production started in America just over a half-century ago, with the founding of the Associated Press as a cooperative news-gathering and -distributing agency. Like the rubber-tired carriage and the steam engine, the AP came along to fill an intolerable vacuum. In the 1880's American newspapers were pretty much on their own. There was no regular effective way by which they could exchange news quickly. What was worse, they depended on the British-government-tainted Reuters and the French-government-tainted Havas for all the foreign news they got into print.

Reuters and Havas operated on the theory that the sources of real power (and therefore of news) were closely concentrated in the world capitals—and therefore employed as reporters members of the same social stratum as their sources: products of the best private schools and colleges, and in many cases of finishing tours in the Foreign Office or financial district. This was the heyday of the ineffable "striped pants" reporter, or "diplomatic correspondent."

Of course such "snobbery" was repugnant to most Americans, and particularly to the breezy *sans-culottes* who owned and edited, and did much of the leg-work reporting for, American newspapers. It has been suggested that these gentlemen were vociferous egalitarians because, in a country with the highest literacy rate in the world, egalitarianism paid off in circulation (and therefore advertising) revenues. Be that as it may, it seemed indisputable that everything in the American tradition demanded mass circulation, and from its inception, the AP was dedicated to the "median" reader.

The Median Man was created as an editorial assumption: a fellow who could read, obviously; only not too many big words, and certainly not too much heavy stuff about the national budget or European politics, or the restless fermentations of Teutons and Slavs, of brown men and black. If the Median Man arrived at Election Day a bit short on the materials out of which citizen-judgments are made in a democracy, the editorial page could tell him where to put his mark. He was a stencil, a form, a mold; and he was destined, like his favorite comic-strip characters, never to grow an inch.

Quite the contrary. Through the

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years, the Typical American has been shrunk. The very concept of mass circulation, with its inevitable least-common-denominator concomitant, launched a relentless cycle the end of which must have been at least faintly discernible (to social historians, if not to publishers) fifty years ago. Sending out more correspondents to file more words from more places was an expensive business, even though the correspondents were mostly low-paid youngsters with no special qualifications for the work. The only way to meet these (and other) mounting costs was to get more advertising. As advertising rates are reckoned at so much per page per thousand circulation, this involved attracting more readers, which involved lowering the common denominator and, as competition became stiffer, introducing comics, serialized love slayings, recipes, gossip, fiction, "cheesecake," flower-arrangement contests, and free encyclopedias. The press was putting on double features and giving away flower-petal dishes long before the movies even thought of it.

All this time, on both sides of some managing editors' doors, there were a few—a very few—men who read books not written by other newspaper men, who fretted fitfully about the apparent trend, who even questioned the original assumption about the Typical American's I.Q. Occasionally they plucked at their publishers' coat sleeves as these titans swept majestically through city rooms on their way to the golf links. The politically literate core of the working press knew, as far back as the Harding-Coolidge moratorium on worrying, that beneath the pink-and-white frosting of surface events, the cake of life held many an unpleasant surprise. Was it not the duty of the press to probe for them with the reportorial scalpel?

It was too late. The press was tooled up to do another kind of job.

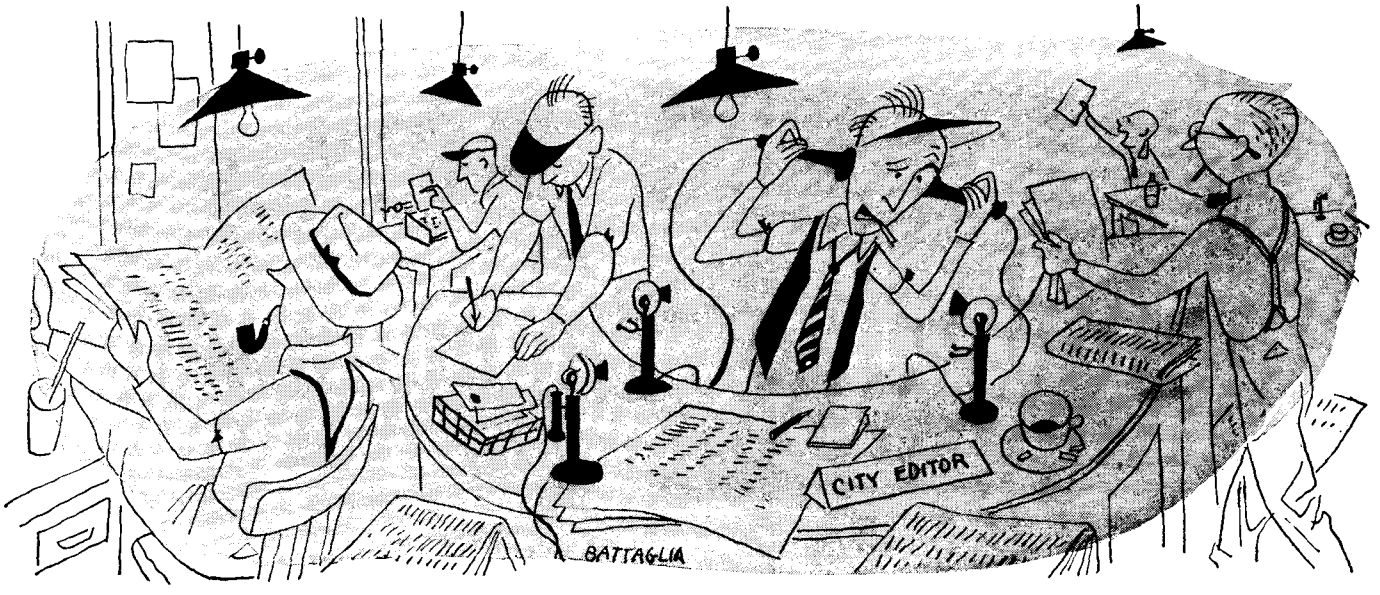
For one thing, the AP concept of the median reader's likes and limitations was too deeply imbedded. Indeed, the basic formula for how best to serve him had been raised to the status of a sacred trust and given a resounding title: "Objectivity" (a beguiling euphemism for a device which at once avoids alienating clients of disparate political, economic, and social kidney, and excuses the inadequacy of reporting by men not mentally equipped to go beyond what their eyes can readily see, their ears hear, their noses smell). The important thing was not whether words added up to anything useful, but simply that there be more and more millions of them, flowing from more places to more clients with ever-smoother mechanical precision.

Moreover, numerous rivals had sprung up, eager to do the same things, only better. The United Press, the International News Service, and a score or more of lesser and sometimes more specialized news, feature, editorial, and picture syndicates, sold the publishers more and more high-class (i.e., distributed by wire or mail, rather than by *papier-maché* mats) boilerplate.

Inevitably, the craze spread to within a few blocks of the city room. City news bureaus — little AP's — covered city hall, county court, Federal building, school board; every banquet, precinct station, firehouse, traffic accident, visiting dignitary, and premature taxicab obstetrical. Every flagpole-sitter, Miss Tangerine of Nineteenwhatever, slot-machine king, ham actor, socialite, restaurateur, and eleemosynary foundation had public-relations counsel grinding out copy. With publishing costs rising, why not cut local staffs to the bone, install a few more wire-service teleprinters, and buy the city editor a letter-opener with which to eviscerate the mounting total of press agents' communiqués?

So the last traces of a lost era vanished. City rooms that had once resounded with the noisy enthusiasm of scores of leg-men fresh from their daily encounters with living people became vast soundproofed, air-conditioned, fluorescent-lighted wastes in which the drama critic and the society editor sometimes met and exchanged priceless bons mots while collecting their press agents' mail.

When the shadow of trouble again fell across every school playground in America, some publishers, and a good many editors, began to wonder about the adequacy of the old machine. What if the Typical American did, after all, want a set of facts that would help him chart his future? What if the words pouring in over the AP (and UP and INS) wires every day didn't add up to a coherent set of facts? What if the roof



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fell in, without warning, as it had in the 1930's?

The old machine might have been retired, with some honors. It was simpler to streamline it a bit, tack on a few gadgets, do what could be done without retooling. A few more people went abroad, and although these foreign correspondents were nowhere near as numerous as the corps that covers the World Series, the contribution to American understanding of world affairs was important. A great many more reporters went to Washington, and although most newspapers continued to rely on the AP, UP, or INS for all or the bulk of their coverage of the national capital, the net of this belated move was good, given the publisher-limitations under which most of the Washington press corps had had to work since 1933, and even more since 1937.

There is one bright spot. The best of the political (as distinguished from gossip) columnists have used the device that has made Li'l Abner and Dick Tracy household words in every one of America's 3,050 counties to make complex public affairs intelligible to millions. Unfortunately, syndication is a haphazard affair. The syndicates themselves are interested only in paying properties, and therefore weigh a Walter Lippmann against a Walter Winchell entirely in terms of customer-papers. It is barely possible that Lippmann, Thomas L. Stokes, and the other "successful" (i.e., well paid) political columnists got into the select group in the first place because in a sense they eased the consciences of publishers who were not doing the job of evaluating news themselves. But whatever the reason, they are there, and one should be grateful for the fact that a few powerful searchlights are playing across the land. A pity that some of the other qualified people—Anne O'Hare McCormick of the New York *Times*, for example—are denied this wider audience because of their parent papers' reluctance to syndicate their work and sell it for a nominal sum to other papers.

Joseph and Stewart Alsop, meanwhile, have struck a new and promising trail. By teaming up, the brothers have established a sort of two-man global bureau which operates in such a way that one is usually in Washington and the other travelling abroad. Perhaps the four-, eight-, or ten-man bureau is just around the corner. The publishers can hardly afford to sit back and wait for it to plop into their collective lap.

That is one part of the story of failure-in-success. It is one explanation of what happened during the late summer and fall of 1948, when the press went out to get what it described as "the most complete campaign coverage in history," and came back, like the veriest cub, without the story. There were too few competent reporters, they were concentrated in the wrong places, and they believed too much of what less competent reporters (including the pollsters) wrote. The easy thing in a profession turned easy was, as James B. Reston of the New York *Times* remarked, to "assume that somebody else is doing the original reporting."

Part of the story, but only a part. The publishers cannot charge the major share of responsibility to their overworked leg-men. It was not the leg-men who put scare-heads on incomplete and often unsubstantiated fragments of "news," who invented the columnist as a sop to uneasy conscience, and who dead-spiked enough background material to bring the scare-heads and columnists into focus.

For it ought to be said for the record that the really able reporters have always stood willing to do a proper job of reporting and interpreting contemporary history. The shame of the publishers is that they haven't tried very hard to sell the best goods on their shelves.

"We have not," confesses James S. Pope, managing editor of the Louisville *Courier-Journal*, "trained reporters who can make a diplomatic conference which may settle our fate for a hundred years . . . as vital as the capture of a comic-strip crook. . . . We have let the image-makers surpass us, though we have the . . . original to offer. For this I think every American newspaper man should feel shame."

There remains always the choice of restyling the product to meet demand.

"In the field of interpretive and explanatory reporting," Reston told AP editors, "lies the same satisfaction that we used to feel in the once romantic field of being first, of having a scoop. We should try to fill the gap between literal truth and essential truth."

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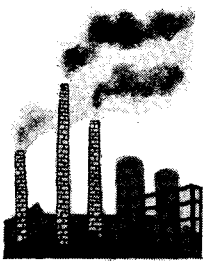
Europe

Beyond the American Blinkers



The Council of Europe, which is meeting in the first days of May, represents a potentially revolutionary step toward European cooperation. The participating ministers have been drawing up the specifications for an economic super-government of Western Europe. Now the questions are how well they can make it work and whether it will be able to overcome the difficulties of the task ahead.

The purpose of the Marshall Plan is to make Western Europe self-supporting, in the sense of being able to pay for all essential imports from the western hemisphere, by 1952. To this end the United States insisted, reasonably enough, that the sixteen nations draw up a long-range program for the reconstruction of the European economy for the years from 1949 to 1952, and beyond.

What actually happened is that each European country tried to solve its own problems—by selling similar products to the same export markets. An over-all European program could not be made simply by adding up the individual plans of all the nations involved; there had to be a general revision, based on reciprocal compromise, and a fair division of the work to be done. This is the job, and it is far from easy, before the Council of Europe. Its decisive importance lies in the fact that any successful arrangement among the various countries would lead to so complete a coordination of their economies as to amount, in the final analysis, to virtual economic unification.

What chances are there of success for this plan? The answer to a large extent is up to America. And if Americans are to bring off this ambitious effort they must first of all make up their minds about what they really want and then figure out how, in view of conditions in Europe, they can best attain it.

The first difficulties encountered by the Marshall Plan stemmed from the fact that the ECA officials came to Europe with definite goals but with no notion of how to set after them. They expected the Europeans to provide at least a notion, but the Europeans were just as vague as they were, and so far both sides have searched in vain for concrete ways of getting to work.

To a certain extent all this is natural. But the trouble is that, besides not knowing what means to employ to achieve their ends, Americans are greatly handicapped by a burden of clichés and preconceived ideas that simply do not fit in (to put it mildly) with European realities. They are losing precious time learning the unworkability of these ideas and clichés, and once they have learned they will still have to convince their fellow-countrymen at home of the basic fallacies of many of their pet formulas.

Let us take a few concrete examples:

1. Some Americans say that their own prosperity is based on what they call free enterprise and that a revival of this system is what Europe needs. But getting down to facts we find that European capital is scarce and consequently skittish, and that it tends to go into enterprises which bring large and immediate profit. Now such profit comes only from more or less parasitic enterprises—theaters, moving pictures, greyhound racetracks, and luxurious apartment houses. The sort of investment that would benefit the general population and further the purposes of the Marshall Plan is, on the contrary, largely unprofitable.

The only answer is for the government to control investments, to forbid certain types of investment, or to create artificial profits in investments that would otherwise be neglected. The report delivered last month by Economic Cooperation Administrator Paul G. Hoffman on the first year of ECA gave greatest praise to Britain, Holland, and Norway, which have steered farther and farther away from free enterprise and pulled themselves together by government planning. Americans must decide whether they wish to concentrate their efforts on the perpetuation of free enterprise or whether they will encourage investments that will benefit the majority of the people. They must realize that under existing conditions free enterprise is not the global panacea they had supposed, and they must prepare to tolerate and even to encourage a certain amount of government planning and all that goes with it.

2. The fact that Britain is the only important European country in which there is no Communist danger has led other Americans to the hasty opinion that a strong Socialist Government is the only antidote to Communism, and that it would be desirable to have Socialist Governments in France and Italy. (This opinion is almost as popular as the prejudice in favor of free enterprise.) But is it the presence of a Socialist Government in Britain that has done away with the Communist problem, or is it rather because there was no Communist problem to start with that a Socialist Government was able to come into power?

Let us put the question in another way. The destruction of European wealth has been so shattering that economic reconstruction is impossible without a general shrinking of all incomes, including those derived from wages. When a Socialist Government finds itself in competition with a strong Communist party under conditions like these, it is in a blind alley. If it outdoes the Communists in promises of higher wages and increased social services, it

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admits that the nation will not be able to stabilize its economy through exports; if it favors a healthier, deflationary policy, it will lose the workers' votes. Even if this question, like many of its kind, must be left without an immediate answer, have Americans ever asked themselves whether it is possible artificially to build up a strong Socialist party where there is none to begin with?

It is a fact, deplored by many good people, that in France and Italy alike a strong Socialist party is lacking. Much of the blame for this state of affairs must be laid squarely upon the Socialist leaders. But America cannot create a strong Socialist party simply by stating that it would like to have right-wing Socialists in power.

The failure of the Socialist Party of Italy is due largely to personal rivalries, which grew out of the twenty years of the Fascist dictatorship, when Socialist leaders, underground or in exile, exhausted themselves in theory and dogma and gained no preparation for the practical role they are now called upon to play. There is still a chance that they may learn from experience.

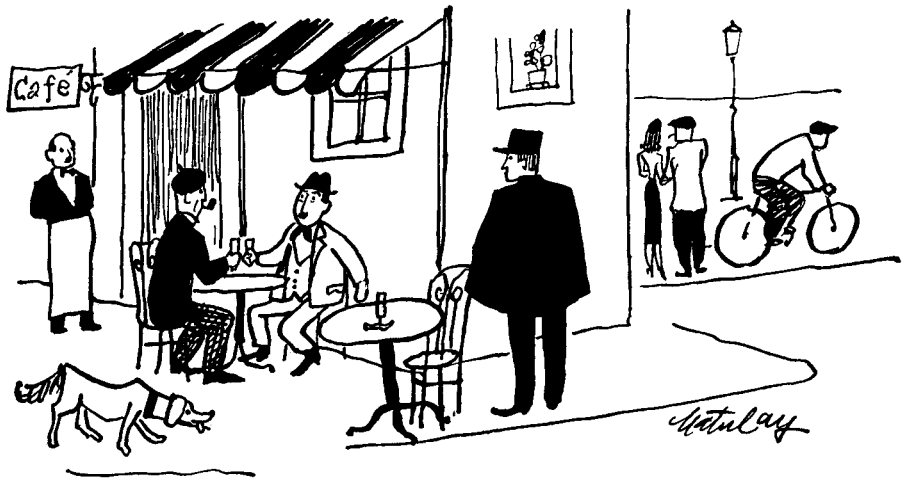
The failure of the Socialist Party of France is more serious: it is the failure of a Socialist Government to govern successfully.

The early achievements of the planned economy set up in Britain by the Labour Party went to the French Socialists' heads. They did not take into account the fact that Britain had acquired during the war a whole machinery of control over production and that Labour Party men had shown that they could make this machinery run smoothly. The French, on the other hand, had neither the men nor the machinery, and their attempt was bound to be as futile as trying to start a locomotive without coal or an engineer. The French experiment in planned economy, and the Socialist Party that tried to put it across, failed not because of any action taken by its opponents, but simply because of its own inefficiency. When André Philippe and Tanguy Prigent announced that milk would be sold at different prices on different days of the week, they were through. In France ridicule can kill.

3. Another favorite American cliché is that Europe's troubles, particularly its Communist troubles, derive from the fact that wealth is too unevenly divided, that the rich are too rich and the poor are too poor. No doubt there *is* inequality, and ways and means must be found to distribute wealth better; but the sad fact is that there is not enough wealth for its redistribution to make any appreciable difference.

Let us look at a typical and conspicuous example: land reform in Italy. With the exception of a few benighted landowners, everyone agrees that a wider distribution of the land is necessary and desirable. But no magical results are to be expected. First of all, statistics show that, except in certain parts of the south, ownership of the land is not concentrated in the hands of a small minority. And more important still, there simply is not enough land to go around among all those who would like to have a piece of it. To redistribute the land would be eminently sensible from even a conservative point of view. The point would be to set up three hundred thousand small landowners instead of the ten thousand, large and small, there are today. For every one of the new owners would become in his turn conservative. But a redistribution of this sort would still leave about 30 per cent of those who live on the land without an acre of their own, or at least without enough to support themselves and their families.

In northern and central Italy, where agriculture is highly developed, redistribution of the land would assure the prosperity of its new owners, who are already fairly well off as tenant farmers. The only problem of any difficulty would be to keep agricultural production going during the process of breaking up the well-organized large and middle-sized estates. But in the south the problem is far more complex. Breaking up the land is not enough; what is needed is a vast project of public works and reclamation, including the construction of roads, railways, aqueducts, and new industrial urban centers, all of which call for a large capital investment. Otherwise the redistribution of the land would only be a redistribution of poverty. This does not mean that the reforms recently announced by Prime Minister de Gasperi are not in the right direction. Yet, to be fully successful, they must be accompanied by an investment of capital on such a scale as is not now available. Even so, there is not enough land to go around.



Americans are annoyed, and with reason, by the difficulty of finding accurate economic data and statistics in Europe. One of the unforeseen benefits of the Marshall Plan is that by degrees, thanks to joint European and American efforts, such data are being put together. But when they have a more complete picture Americans will see that many of their previous impressions were mistaken and that European problems are far less simple than they seemed from across the water. And here, if the Americans are intelligent and know how to profit by the advice of honest and intelligent Europeans, they should bring in their superior planning ability, decide what is really to be done and, if necessary, convince the various European governments that they should do it.

At this point, which has in many cases been reached already, Americans must free themselves of the myth most dangerous for both themselves and the Europeans: the "hands-off" or non-interference myth.

The postwar world echoes with

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phrases that have too wide or too ambiguous a meaning, and here we have one of them. There is interference, and interference. If America tells Ruritania: "We don't want So-and-So as premier or cabinet minister because at such-and-such a time he did something against American interests," then a threat to Ruritanian sovereignty is involved. But if America says: "Look here, your present economic and financial policy is leading you straight to ruin; you should change tack and do thus-and-so," and even if the American government puts pressure on that of Ruritania to do what is best for the general good, there is no threat to national sovereignty, but rather an attempt to better the lot of the Ruritaians. Do we consider it interference on the part of a doctor for him to tell us that for our health's sake we should cut down our smoking or drinking?

In fine, America must have a clear idea of what it wants to accomplish; it must ascertain, not on the basis of idle slogans but from a strictly factual point of view, what is actually practicable and what are the best means of putting it through. And when these decisions are taken it must bring all its influence and prestige to bear on the European governments, either singly or together, in order to insure the success of its plans.

Some may say that America is already doing all these things. That is true, but more often than not it is doing them in the most awkward way possible, through a world-wide radio broadcast by the President or the Secretary of State, or, what is worse, pronouncements of some other kind, based on incomplete data and asking things that cannot be acomplished immediately. Public declarations of this sort are apt to arouse a hostile European reaction. Why not act through normal diplomatic channels or through word-of-mouth messages from ECA representatives? Communication of this kind would be more effective than the present tendency to talk blatantly from the speaker's platform and then to peter out during those private conversations in the course of which the real decisions are made.

Above everything else, it is important for Americans to realize that when European governments do not understand the urgency of the job, a certain amount of American advice may be necessary.

There is good will in Europe, to be sure, but it needs American support. There should be no timidity on the score of interference when the good of Europe is concerned, for lack of decisive action can lead to one of two equally disastrous consequences for both sides in 1952: either complete chaos because American aid has come to an end, or else prolonged and demoralizing dependence upon a dole because it hasn't.—A EUROPEAN CORRESPONDENT

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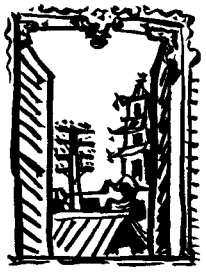
Far East

The Tangle of Our Economic Policies



A few weeks ago Harold Stassen called upon the government to get to work on what he called a MacArthur Plan for Asia, presumably to be modeled after the Marshall Plan and to pursue similar objectives. If Stassen, who was not the first to ask for a plan for the Orient, was thinking primarily of the coherence, rather than the specific economic techniques, of the Marshall Plan, his proposal could not have been sounder. American economic assistance to the Far East, which amounted to three-quarters of a billion dollars last year and over three billions from 1945 to 1949, has never been brought into harmony with our program for European recovery, nor have the several U. S. programs in the Far East ever been really coordinated with one another. And so they do not jibe.

In ports like Manila and Hong Kong, for instance, the British and Japanese appear to be on the verge of a full-scale textile war, much like the stubborn one they fought in the 1930's. The difference is that this time the United States is rooting for, and financing, both contestants. ECA economists have been encouraging Britain to step up its export program, and textiles spun in Lancashire are among the principal products the British can ship out. General MacArthur's economists, concerned primarily with reducing the cost of the Japanese occupation, have been prodding Tokyo spinners to step up *their* exports. There isn't enough purchasing power in an under-developed Far East to absorb all the available British and Japanese textiles. Squads of British and American economists, now trying to halt British-Japanese trade hostilities, are finding that it is not as easy as it sounds. So, indirectly, American dollars aiding Japan are nullifying American dollars aiding Britain.

The textile skirmish, which might easily become fiercer as it goes on, is one of the more spectacular ways in which America's ambiguous economic policy in the Far East is menacing the more coherent program in Europe and costing the government money that could have been spent more effectively. There have been other instances, less forbidding on the surface but nearly as detrimental in the long run.

The evidence, taken altogether, points to the fact that the United States has so far failed to work up a coordinated global economic policy that takes into account all its scattered aid projects and reconciles the differences between them. The trouble perhaps has been that the U. S. has been so preoccupied with Western Europe that in the Far East it has thought only of bastion-building, as in the case of Japan, or running a holding operation, as in the case of China. In Europe, the unity of our effort has been assured by a single government agency—the ECA—and a single organization of member nations—the OEEC. A dozen agencies are running various fragments of our program in the Far East; the receiving nations, all obsessed with their own recovery, ignore, when they do not detest and fear, each other.

The dangers of conducting an unrelated batch of improvised operations have begun to come to the surface. In a tariff conference at Annecy, in France, the U. S. has found that Britain and the Netherlands are bitter and apprehensive about what they consider our hazardous tariff policies for Japan. But the most serious of the dangers are still subterranean—hatching slowly underneath the day-by-day economic developments in the Far East. The principal one is that when the separate Far Eastern programs mature, the U. S. will find that it has created a number of more or less self-centered economies prevented, by all kinds of barriers, from doing business with each other, Europe, or ourselves.

The policies that America is furthering in the Far East include one each for Japan, Korea, and the Philippines, as well as a questionable one for Indonesia and an expiring one for China. Sometimes there are vagrant signs of an over-all policy behind all these separate policies; usually none is perceptible.

American policy for Japan (often expressed through interim directives while waiting for action from the Far Eastern Commission) is set in Washington, but is administered, with great liberties, by General MacArthur. The fundamental U. S. objective in Japan, as stated in the Potsdam Declaration, appears clear enough—to permit Japan to creep back into the world economy as an industrially-sound but militarily-powerless country. In practice, it often appears that Japan can become one or the other but not both.

General MacArthur is interested, like many people in Washington, in getting Japan in a position to pay its own way. He has been guided by the theory that the islands will have to be counted on as the "workshop of Asia," to use Dean Acheson's phrase. To reduce Japan's dependence on the United States, SCAP for some time did its best to compel Japan's customers to pay for their purchases in dollars—in a region no less hard up for dollars than Europe. (The barter arrangements with sterling-area countries — which belatedly replaced dollar-selling—have provided at best a sort of primitive, two-way trade.)

What has happened is that Japan's economic dependence on the United States, instead of decreasing, has increased from $250 million in 1947

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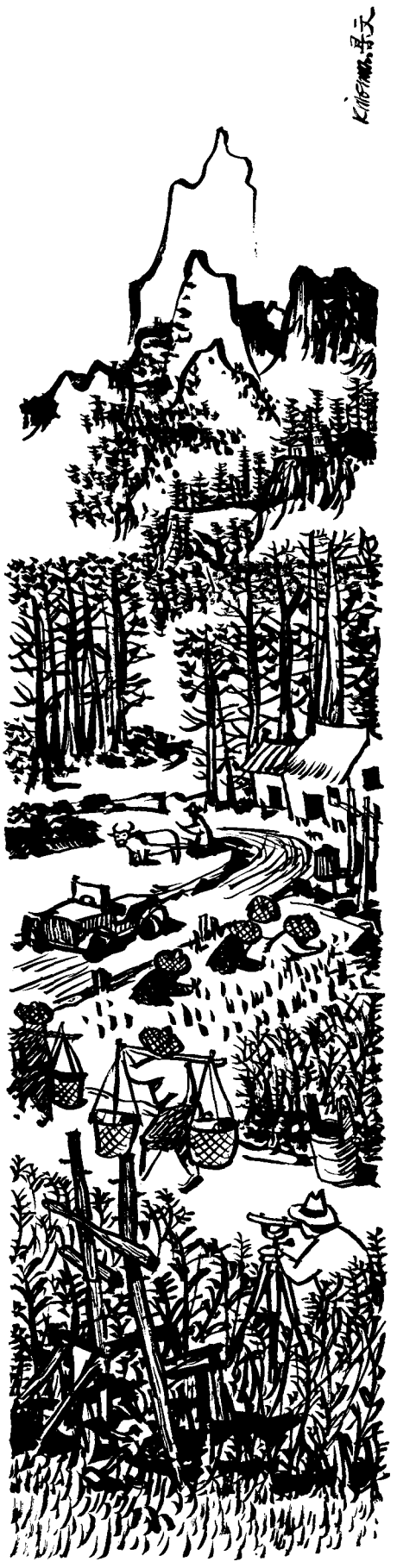
through $375 million in 1948 to an estimated $450 million this fiscal year.

There are a number of reasons for this, and all lead deviously or directly to the fact that the United States has no unified policy in Asia. The old suppliers of raw materials to Japan—China, Korea, the Philippines, and the rest—have either become embroiled in civil war, or are reluctant to aid in the rehabilitation of their former masters, or are bent on industrial adventures of their own. Our plans for reconstructing Japan, clumsily carried out as they are, have chilled some of the other countries in the Far East—Australia and the Philippines, for instance—as well as frightening the English and the Dutch.

Of the many tangles in the Far East one of the most involved is that between Japan and the Philippines. The latter, fearful that Japan may one day reappear as the colossus of the Pacific, refused about a year ago to trade with Japan except under nearly prohibitive arrangements. The Filipinos decided that they would trade with Japan only if their surplus balances were settled in dollars and they could pay up deficits in pesos. The terms they sought encouraged favorable balances for them. The Filipinos were apparently not swayed by the fact that they are very short of textiles and that the Japanese could satisfy much of the demand.

In the rest of the Far East, the situation is no clearer. Southern Korea, which for some time was under the care of the War Department, recently passed over to ECA. Under the army, and, the way it looks now, under the ECA too, the United States ran a unilateral recovery program in Korea. Except for a couple of minor trade arrangements with Japan, the program is unrelated to and possibly neutralizes development programs elsewhere. In China, the Nationalist government was to be the partner of the U. S. in the expenditure of $275 million granted for economic aid by the Eightieth Congress. The ECA did the best it could with this sum, but from the start it was hampered by the lack of a clear-cut policy on which to base economic planning. The program for China wobbled along unevenly until the advance of the Communists toward the end of last year forced it to a full halt.

In Indonesia, the anomalies are even



more transparent. While supporting the Indonesian Republic, the United States for a time channeled aid to it only through The Hague, where Dutch officials decided how to spend the money without consulting the Indonesian Republicans. The economic ambitions of the Republican leaders do not, of course, coincide with those of the Dutch. Finally, with all the colonial peoples of the Pacific watching, the United States maneuvered itself into a spot in which supporting the political independence of the Indonesians meant suspending economic aid to them altogether. To punish the Dutch, we squeezed the Indonesians—when we could have used our aid to bring the two together.

American money going to the Philippines comes from no less than half a dozen sources—a special grant for rehabilitation, the U. S. War Claims Commission, and four or five others. Here again our policy has not been meshed with those for the other aided countries, still less with that for Europe.

The duplication and improvisation that characterizes our economic policy in the Far East are the results of a failure to recognize the necessities of economic life there, and a failure to think through, and then go out and accomplish, our own aims.

The Far East, an under-developed region to begin with, had much of its transport, communications, and other vital services destroyed during the war. But even before the war the area had no defenses against the economic ups and downs of the industrial countries on which it counted for markets and supplies.

Before the war the Far East, America, and Europe were the three angles of a trade triangle. Broadly, the Far East exported raw materials to Europe and America and imported finished goods from Europe, while Europe imported a variety of goods from us. Inside the Far East, Japan ran its own two-sided system, taking in raw materials and turning out cheaper finished goods than the West. Now the other Far Eastern countries, legitimately enough, want to increase their industrialization and raise their general standard of living. Even with greater industrialization, however, the Far East's unique endowment of rubber, tin, oil, and so on, will determine its

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relationship with the rest of the world for a long time to come.

In fiscal 1950, it looks as if the United States will offer nearly a billion dollars to the Far East—more if we aid China. Still more money might—if conditions were favorable—come from private investors. The important thing now is to see that every dollar counts. This cannot be done by a dozen agencies working separately, sometimes even in the dark about one another's motives and methods. The almost automatic, but rash, solution would be to follow the European pattern, to initiate a Marshall Plan for the Far East, and to set up the equivalent of an OEEC with enough elasticity so that it could drop and add members as the situation in the Far East changes.

One reason why this might be foolhardy is that the countries of the Far East are nowhere near as mature as the European countries. Their tendency might be to form a pressure group that would try to pump all it could out of the United States. The countries do not, for the most part, have the technical experts, engineers, and economists to staff an organization of their own.

But the basic trouble is that the United States could not undertake a Marshall Plan for Asia without setting off a series of expenditures beside which the ERP would look paltry. In the Marshall Plan, the receiving countries get dollars from the U. S. to pay for needed goods that they cannot import from non-dollar areas. The approach is through the balance of payments, and the scheme is based on maintaining an adequate standard of living in Western Europe.

If we tried the same thing in the Far East, we would be in for fabulous expenditures. The assistance that the Far East would need to guarantee even the most minimal living standard would run to billions of dollars that we obviously could not afford.

Another type of machinery and another approach seem far more feasible for this area. Following Stassen's suggestion about the integration of our Far Eastern projects, the United States could set up a central planning agency, made up of the heads of the agencies now dispensing aid to the Far East. The State Department, as the shaper of U.S. foreign policy, would play the decisive policy part in the organization.

The first job of the new agency would be to take our whole collection of piecemeal operations in the Far East and put them together in a balanced and unextravagant way. Enough money has already been frittered away on uncoordinated efforts. The unification of the several programs is precisely the task in which the President's Bold New Program for helping under-developed areas can be most effective.

With the State Department well in command, the planning agency could make sure also that our economic policy in the Far East does not run counter to our political objectives there, as it does in some places now. An elementary working principle of the new organization would certainly be complete refusal to prop up the Dutch or other colonial empires. We would naturally recognize and do our best to gratify the aspirations toward independence and industrialization which are now bringing disorder over almost all of the Far East.

In the natural course of events, the new agency would work most closely with the UN's Economic Commission for Asia and the Far East. ECAFE has already accumulated a great mass of valuable research data. Like other UN agencies, ECAFE is not an action committee. It cannot do the job alone. Most of its planning is gathering dust because of the opposition of the Russian members, who brand it as imperialist, and the Dutch members, who seem to think it is not imperialist enough.

Not all of ECAFE's plans are complicated. The commission has found that a simple thing like putting rubber tires on Far Eastern carts and wagons would double the carrying capacity from plantations and farms to sea and river ports. The application of even rudimentary skills would vastly increase the productivity of the Far East.

How much we can do boils down, of course, to how much money we can put out. ECAFE has estimated that the Far East, including Nationalist China, could make good use of $14 billion (at 1947 prices) in the next five years, with almost half to come from us.

Whether or not we can over the years furnish that staggering sum, there is no question that we can allot enough money to the economic reconstruction and development of the Far East next year to do an appreciable amount of good. The present budget calls for almost a billion dollars in Far Eastern economic aid in fiscal 1950. According to the National Association of Manufacturers, private investors in the U. S. could turn two billion dollars annually to the development of backward areas (which would include a large portion for the Far East), provided conditions are right. The right conditions are that a code of fair investment would have to be set up in cooperation with the receiving countries, and that the government would have to finance the probably unprofitable projects—dam and highway construction, harbor improvements, and so on—that accompany or precede the building of factories. The United States could further use its influence to get the International Bank for Reconstruction and Development to put out what money it has, and help it get more from domestic bankers. A good deal of capital is tied up in the bank because of an unnecessary conservatism.

Once a coordinated Far Eastern program got under way, once the United States stopped acting as if the countries of the Far East were locked in separate compartments, we could proceed to something even more basic—getting unity and wholeness into our entire economic and political program. Until we achieve that, we are bound to underrate ourselves and diminish our national strength and our capacity to help other democratic nations.

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Books

Culture Is a Private Matter

Right from the start the Middle West took to the Great Books idea. It was practical and nondisruptive. You read Dr. Hutchins's list of history's 100 basic books and discussed them. Such activity could do no harm. In the opinion of the Great Books Foundation, a nonprofit organization that unsuccessfully attempts to support itself by the sale of the basic books, this activity could well develop into a "movement," a sweeping cultural revival.

When the Great Books Foundation first came into the Middle West in 1945, the results were highly encouraging. In Indiana, for instance, after the first seminar was set up at Butler University in Indianapolis, thirty-nine groups were founded immediately in other parts of the city. Housewives, students, business and professional men, working men and women joined them. Smaller towns about the state kept pace with thirty-nine more discussion groups. Lawyers, farmers, clerks, and mechanics journeyed to local colleges to be trained, in three-day sessions, for discussion leadership. By 1946, the peak year, the Hutchins list was being read and dissected in fortnightly seminars by some two thousand in Indianapolis alone and by almost an equal number in other Indiana towns.

It certainly looked like some kind of a dawn. When you have four thousand people doing something about culture it is not unreasonable to hope that soon there will be eight thousand, and then sixteen, and then thirty-two. Such is the reasoning back of the clubs.

That is how things started in Indiana. By early 1948, at least five Indianapolis groups had dissolved. Six of the state seminars had vanished. Now, after a vigorous four-year tryout, the Great Books idea has failed to enlist any increasing interest; it is losing the support of many who first took it up. There remain, of course, the faithful.

Last month, at a discussion of Hume's *Enquiry Concerning Human Understanding* in the library of a small Midwestern town, eight of these faithful were present: the leader, a small and excitable druggist; a farmer who had driven thirty miles to attend; a grandmother laden with notes and knitting; a young salesman of a vague and sentimental turn of mind; a middle-aged housewife who was excellently prepared; an aged but determined mail carrier who was also excellently prepared—but on the wrong book; and a Methodist minister and his wife, both of them quick, tolerant, and jolly.

For such a meeting there are rules supplied by the Great Books Foundation. For instance, the leader "must" 1. Listen. 2. Never answer, never tell, never lecture, never sum up—never. 3. Start arguments. 4. Call on members by name. 5. Be relevant. 6. Keep moving. 7. See that the setting is right. 8. See that members read the books. At this meeting the druggist violated rules 1, 2, 5, 6, and 8, but the discussion seemed to get on very well notwithstanding.

"Mr. Dutra," the druggist asked, "how do you learn, according to Hume?"

"I don't."

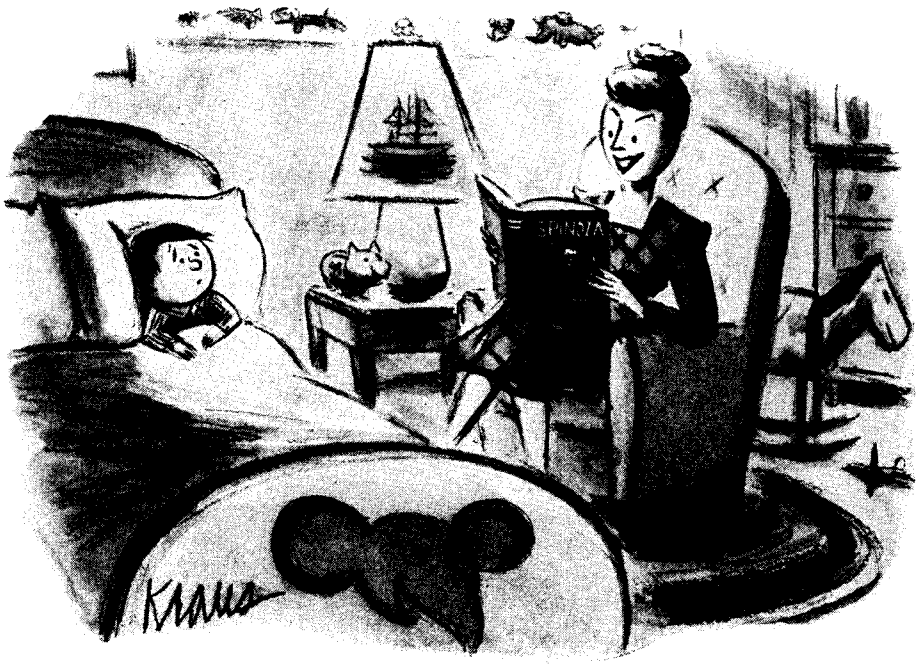
"What?"

"I don't know that," snapped the mailman. "But according to John Stuart Mill, who happens to be the lesson for tonight, I'd say it was by losing my shirt."

There was a moment of silence during which this complete stalemate was measured. Then the leader addressed the grandmother.

"Mrs. Vanetti," he said, "do you think a man can be at liberty and free at the same time?"

Mrs. Vanetti studied the question



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thoroughly. "Yes," she decided. This answer disturbed the farmer, who declared that no man ever was free or ever could be free. The salesman said that if you were happy you were free. The mailman attempted angrily to get the discussion back to John Stuart Mill.

The leader asked the housewife if she had ever been disappointed in any of her expectations. But the housewife, who had read the right book, said that Hume maintained that we can anticipate only what we have experienced. From here on the discussion held reasonably to the text and when it ended two hours later the group, including the mailman, had decided that Hume was confused—and it pretty well knew why it thought so. The discussion had been exciting and the time had gone fast. Next fortnight: Voltaire. The mailman carefully took down the author's name.

This was a successful meeting of people experienced in the technique of Great Books discussion. These were the faithful who remained after the group had lost three quarters of its original membership along the way.

The story is not of complete failure. There is still a number of large and flourishing groups and in each is a stubborn core of readers who love great books and try to extract the ideas they contain by discussing them in public every two weeks. But the fact is that the Great Books movement in Indiana and the Middle West is slowing down. Why?

Hoosier sponsors give these reasons: 1. People who thought of the books as a patent medicine for culture to be taken in easy swallows gave up when they found them hard to read, harder to fathom, and harder still to discuss intelligently in public. 2. The wisdom contained in great books is not supplied with diagrams and recipes for immediate practical application. 3. Confronted with the Socratic method of discussion many people fly straight to the right answer without having any idea of how they got there. This is against the rules of Great Books discussions which are designed to run on solid, deductive lines and therefore impose restraints on free-and-easy intuition. 4. A Great Books group is just one more club in the Middle West which already is the most over-clubbed region in the nation. 5. Culture is a private matter, not an organizational one.

To Our Readers

The conversation between the editors and the readers of *The Reporter* is beginning. Unfortunately, the printer's deadline for this second issue had to be met before we had received all of your responses to our questionnaire in the first issue. But please understand that we shall take your advice very seriously in forthcoming issues of *The Reporter*. It is out of an active give-and-take with our readers that we hope to make a new kind of magazine.

But now, before the conversation really gets going, would be as good a time as any to answer a question which has been asked by many of our friends and critics. The question: at what particular group of readers is *The Reporter* aiming?

The only honest answer is that we are not after any one particular class or group. And the reason for that is that we are profoundly suspicious of the generalized distinctions which have been superimposed on the American people. The pattern is more complex. And so, since we do not believe in classes, it is easy to see that we cannot appeal to a particular class.

The people we hope to interest in our undertaking are those who believe, as we do, that something is missing from the mountainous mass of words now being published.

Our main reason for believing we shall find an audience is that we ourselves, a group representing many points of view, are agreed on the need for a new magazine in America. Surely this conviction must be shared by others.

The Reporter will give you a picture of America, of its endless variety and contradictions, of its resourcefulness and buoyancy. *The Reporter* will help you to see the world in which we live. It will take stock of all the facts that make for our power or for our weakness, at home and abroad. It will stick to this goal and will not bother you with chit-chat or gripes. For *The Reporter* believes that the American citizen must be treated as an adult, as a deliberate maker of news, not as a dumping ground for news.

Accordingly, we are going to open our columns to those readers who will write to us about the public questions that we raise in each issue. We will pay for the best of these letters. In the questionnaire accompanying our next issue, you will find complete details of how you can participate in the making of *The Reporter* as a reader-contributor.

The Editors

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